

**YOUTH, ENTERPRISE, LIVELIHOODS  
and  
REPRODUCTIVE HEALTH:  
How Can Small Enterprise and Sustainable Livelihoods  
Help Address the HIV/AIDS Crisis in Africa?**

**Planning and Assessment Tools for Practitioners  
and Donors**

**Report  
to the  
United States Agency for International Development  
Washington D. C.**

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## EXECUTIVE SUMMARY

### PURPOSE

Small enterprises – particularly those of “youth” - make an important contribution to HIV/AIDS prevention (through alternative lower-risk forms of livelihood) and to care and support of HIV/AIDS sufferers (both through income and through a form of income - enterprise - that is often transferable within and between generations). Though the *potential* synergies are clear, the relationship among *youth, enterprise, livelihoods and reproductive health* is not yet well understood. The purpose of this report is to develop mechanisms to support practice and research, based upon current activities (largely in Africa) and the respective literatures on youth, sustainable livelihoods, enterprise and reproductive health.

### METHODOLOGY

Paul Bennell, in a separate IDRC study addressed HIV/AIDS from the youth livelihoods perspective (Bennell, March 2000). Using Bennell's report as its base, this report incorporates evidence of best practice from the small enterprise literature (Chapters II and III), in order to develop “practical tools” to assist donors and practitioners in effectively linking reproductive health, youth livelihoods and enterprise development.

Thirty case studies (Appendix A) were identified through the IDRC Africa Youth Livelihoods Knowledge Network, largely based upon current practice in Sub-Saharan Africa. Though the case studies comprise useful evidence from the field their use in this report is largely illustrative. While representative of common practice they were not on balance found to constitute “good” practice.

### LESSONS LEARNED

Bennell highlighted the need for further research from an enterprise perspective, specifically the need to identify effective operational linkages between enterprise development and reproductive health, and from these to develop tools to support practice and research. The additional lessons learned, reflected in this report, include:

- It is difficult to identify the point of effective linkage between youth livelihood and reproductive health initiatives.
- Common practice is not generally consistent with best practice, in part because the point and manner of effective linkage does not appear to be well understood.
- Only a narrow range of enterprise development options are being commonly used, fewer yet in conjunction with reproductive health initiatives.
- Effective youth livelihood and reproductive health synergies may result from indirect linkages rather than direct linkages.
- Best practice evidence suggests that the most effective manner of linkage is “networking”.

Lessons learned are outlined in Chapter IV.

## FINDINGS

The principle outcome of this report is a set of four “tools” intended to support practice and research (Chapter V). The four tools are:

- **Tool One – Enterprise Context:** The purpose of tool one is to consolidate and display the field of small enterprise development and to place individual initiatives within a broadly defined enterprise development framework.
- **Tool Two – Typology of Program Design Parameters:** Tool Two is used to define individual initiatives in terms of their key operational characteristics.
- **Tool Three – Reproductive Health and Youth Livelihoods “Linkages”:** The purpose of Tool Three is to conceptualize the point of effective linkage.
- **Tool Four - Design and Assessment Tools:** Tool Four presents a typology of programs, considers these in relation to four key issues (relevance, cost, equity and asset building) and discusses the implications (in terms of the four key issues) of adopting each program typologies. Tool Four is a synthesis of best practice evidence in relation to identified common practice.

## RECOMMENDATIONS

The principal recommendation (Chapter VI, Next Steps) is that the lessons learned be applied to practice and research using the design and assessment tools described in Chapter V, Design and Assessment Tools,

- **Practice:**

The broad recommendation is better to apply small enterprise best practice instruments to youth livelihoods and reproductive health initiatives. For example: 1) to locate livelihood and reproductive health initiatives in the context of pro-poor growth; 2) to expedite both the adoption of SED best practice and scaling-up by adopting “linkage” approaches based upon institutional networking.

The merits of learning from enterprise notwithstanding, it remains more clear at this stage what-not-to-do than what-to-do. This is typical of the early stages of new technology evolution. The cautionary tone of this report reflects both the complexity of the problem and the fact that we are still in the early stages of identifying solutions.

- **Research:**

Current practice is modest in scale, limited in the range of instruments used and insufficiently analyzed. Common practice does not support sound judgements about what constitutes SL/E-SRH “good practice”. SED best practice has yet to be broadly applied. Best practice in related fields (such as “social marketing”) has yet to be drawn upon and adequately incorporated.

A draft of this report were presented to an USAID internal workshop in Washington DC, 27 July 2000.

This report incorporates the feedback from that workshop as well as comments (on all or parts of the draft) from Paul Bennell, Francis Chigunta, Richard Curtain, Simel Esim, Ishrat Husein, Don Mead, Jamie Schnurr and others. Eli Roush collected and prepared Appendix A, the case studies that comprise the "data base" of current practice. I am grateful for their time, interest and insights.

The views expressed in this report are those of the author and should not be deemed to be those of either IDRC or USAID.

## TERMS and ACRONYMS

TERMS	
Business Linkages	Ongoing multiple-transaction commercial relationships between separate profit-oriented enterprises
Core Business	The principal commercial activity of an enterprise
Enterprise-based training	Any form of purposeful skills transfer that takes place in an enterprise.
Income generation	Used in this report only to refer to the revenue seeking quasi-commercial activities of NGO, public sector and non-profit institutions. Exceptions (found in Appendix A) reflect the preferred usage of individual projects, programs or institutions.
Informal sector	A collective term describing myriad microenterprises, usually having only 1 or 2 employees including the owner. Informal sector enterprises are characterized by low capitalization, limited value-added, simple technology, poor labor conditions and ambiguous legal status. Most informal sector operators are "self-employed".
Livelihood (sustainable)	A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with stresses, enhance capabilities and assets, and not undermine the natural resource base. (See Chap III, A.)
Mentoring	A relationship whereby a person, business or organization provides advice or support to a separate person, business or organization.
Microfinance	(generic) Credit, savings and grants. Microfinance subsumes a body of practice characterized by the quest for cost-effective delivery of financial services to the poor and disadvantaged.
Network	A social, economic or administrative relationship among individuals, enterprises and public and private organizations.
Self-employment	The practice of owning and operating a small enterprise as a means of livelihood; working for one's own account.
Small enterprise	Enterprises having 1–10 employees. Small enterprise subsumes "microenterprise" and the "informal sector".
Sub-Contracting	An arrangement whereby one enterprise enters into a formal agreement with a separate independent enterprise to supply a product or service (see also "business linkage").
Sustainability	<b>u of Impact:</b> Ongoing positive effects that continue after the termination of external support <b>u of Operation:</b> The ability of an activity to operate independently without external subsidy.
Training	Any purposeful activity intended to develop skills and knowledge.
Traditional apprenticeship	A semi-structured form of on-the-job training, usually in a craft or trade, that is guided by mutual agreement, social custom or tradition, rather than by legal or administrative criteria. Traditional apprenticeships are often formalized, with the obligations and expectations of both master and apprentice clearly specified.
Vocational training	Purposeful activity to transfer skills and knowledge that will be used to pursue an occupation or secure a livelihood.



## ACRONYMS

*NOTE: Appendix A (data base of program descriptions)  
includes many acronyms not listed in this table.*

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BDS	Business Development Services (generic, subsuming what has previously been referred to as “non-financial services”) including training, mentoring, marketing and business linkage formation, enterprise association development, advice and counseling, and the provision of equipment and infrastructure).
CIDA	Canadian International Development Agency
DCSED	Donor Committee on Small Enterprise Development
EBT	Enterprise-Based Training (includes all forms of apprenticeship)
DFID	Department for International Development (UK)
IDRC	International Development research Center
SED	Small Enterprise Development
SME	Small & Medium Enterprise (enterprises with 1 - 50 employees), subsuming microenterprises, self-employment and informal sector enterprises. (Note: See “Terms”, re: income generation”.)
SL/E	Sustainable Livelihoods / Enterprise (used generically)
SRH	Sexual and Reproductive Health
SSA	Sub-Saharan Africa
TUP	Trickle-Up Program
USAID	United States Agency for International Development

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## **I. BACKGROUND**

### **A. PROBLEM STATEMENT**

HIV/AIDS is a global problem with a daunting array of negative social, cultural and economic manifestations. The problem is particularly pronounced in Sub-Saharan Africa (SSA). The nature of the problem and the reality of its continued spread are in part a function of pervasive poverty. Current Sexual and Reproductive Health (SRH) thinking and practice is influenced by the notion that poverty reduction positively influences SRH behavior and helps reduce HIV/AIDS transmission. One aspect of this poverty strategy for HIV/AIDS reduction involves supporting the economic needs of “youth”<sup>1</sup> in SSA through support for Sustainable Livelihoods/Enterprise (SL/E).

This report is a preliminary formulation of practical “tools” intended to help develop effective SL/E support interventions and help determine when and how to link SL/E initiatives and (SRH) initiatives. The principal foci are Small Enterprise Development (SED) “best practice”, the very small enterprises (i.e. micro and informal enterprises) that constitute the basis for most youth livelihoods, and the largely unsubstantiated relationship among youth, enterprise, livelihoods and reproductive health.

The following section is an outline of the report and a brief guide to using the tools offered. This report represents one stage of an iterative process. Readers are encouraged to offer advice, suggestions, criticism and information on relevant activities to:

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### **B. STRUCTURE AND USE OF THE REPORT**

#### **1. Report Structure and Focus**

This report has seven main components:

1. a problem statement,
2. a summary of SED best practice principles,
3. a summary of pertinent issues,
4. lessons learned,
5. design and assessment tools,
6. next steps (an agenda for practice and research), and
7. a database of current activities (principally in SSA).

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<sup>1</sup> Generally assumed to be males and females, between 14 - 30 year of age.

The emphasis is on SL/E and on the relationship between SL/E and SRH. SL/E is thought a particularly appropriate basis for addressing the SRH challenge in that it is grounded in the notion of building on assets (rather than on addressing shortcomings).

For the most part the literature offers a clear problem statement and an adequate description of programs and approaches. However, there is a dearth of both critical assessment and of well-supported remedies. The unpublished information available on current activities is for the most part simple descriptions in terms of design aspects and inputs. There is severe shortage of comparative or evaluative material, hence there is little substantive evidence of either outcomes or impact. Practice appears to be guided more by habit and instinct rather than by hard evidence of what works. There is a notable shortage of “learning projects”, despite a general commitment-in-principle to on-going assessment, stakeholder involvement and participatory methodologies at all levels.

## 2. Using This Report: Design and Assessment Tools

This core of this report is the four *Design and Assessment Tools* found in Chapter V. Chapter V draws on evidence from SED, sustainable livelihoods, sexual and reproductive health and related fields to formulate a set of “tools” for practitioners. Chapter VI, Next Steps, outlines a number of areas where the Design and Assessment Tools might usefully be applied.

The nature and the purpose of the four individual tools is as follows:

- Tool One sets the stage by helping place individual SL/E initiatives within the larger framework of enterprise development.
- Tool Two is used to describe” individual programs and approaches in terms of a composite of parameters. Each parameter is presented as a continuum of possibilities with many options along the continuum. This report does not attempt to catalogue this rich variety. The emphasis here is on the complexity of design, the often unexplored diversity of available instruments, and on the dynamic nature of each continuum. Tool Two is intended to help:
  1. highlight key design and assessment parameters,
  2. facilitate individual program descriptions, and
  3. establish a basis for comparative assessment and “benchmarking”<sup>2</sup> based upon key design and operational characteristics.
- Tool Three explores the nature of the linkage between SL/E and SRH, with the focus on key characteristics that positively and negatively influence the *potential* synergies of the SL/E - SRH linkage
- Tool Four sets out a typology of approaches, within a framework that reflects on the broad implications of adopting specific approaches. The implications of adopting each of the five typologies are considered in terms of four key issues: relevance, cost, equity and asset enhancement.

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<sup>2</sup> A design, assessment and management technique based upon collection and collation of the aspects and experiences of similar organizations and/or best practice leaders in a field.

## II. THE CURRENT CONSENSUS: SED BEST PRACTICE PRINCIPLES

*NOTE: This section is based on the report “Business Development Services (BDS) for SMEs: Preliminary Guidelines for Donor-Funded Interventions” of the Donor Committee on Small Enterprise Development (DCSED) and on more recent work by the DCSED (Levitsky, 2000):*

- *<http://www.ilo.org/public/english/employment/ent/sed/bds/donor/summary.htm>*
- *The BDS report is summarized in Small Enterprise Development (Gibson, 1997)*

### A. A Brief History of SED

The development of Small and Medium Enterprises (SME) has long been regarded as crucial for the achievement of broader development objectives, including poverty alleviation, economic development and the promotion of more democratic and pluralist societies. Donor support for SED development has grown substantially over recent decades, and donor agencies have accumulated considerable experience in this field. There is a sound basis for current “best practice” and considerable efforts underway to question, refine and test the state-of-the-art. This ongoing atmosphere of activity and enquiry has stimulated major shifts in the practice.

Practice and best practice have steadily evolved. Beginning in the early 1980s, support for financial services received particular attention, reflecting the widespread acknowledgement that real progress has been made in the design and delivery of financial services, with groundbreaking strides in extending such services to the microenterprises of the poor.

Donor support for “business development services”<sup>3</sup> (BDS) for SMEs has been a normal part of private sector development assistance since the early 1970s. For the most part these interventions tended to focus on training, technology and “light industry” infrastructure, with donor-funded international NGOs and agencies often working directly with SMEs. The sustainability of such interventions was not given priority, since subsidies were regarded as investments in the future. In retrospect it can be said that insufficient attention was given to issues of impact, effectiveness and efficiency.

During the 1980s overall support for both BDS and financial services expanded with financial services very much to the fore. The range of donor-supported SED services expanded to include individual counseling; the facilitation of market access; the development of networks, linkages and clustering; the provision of information in a variety of areas, including equipment, technology and markets; as well as physical facilities and shared services.

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<sup>3</sup> Previously referred to as “non-financial services”.

Noteworthy progress has been made, particularly in delivering financial services. The delivery of financial services<sup>4</sup> (including microfinance) has made impressive strides in terms of outreach (i.e. reaching the poor and disadvantaged), scaling-up, efficiency and progress towards sustainability. The methodologies developed and lessons learned offer invaluable guidance for SED promoters and those in other fields seeking to use enterprise as a complementary instrument.

Donors, recipient countries, and intermediary organizations all share an increasing concern with the impact and cost-effectiveness of SED interventions. Sustainability has become a major objective in terms of both cost recovery and institutional capacity and has done so within a context of greater emphasis on *sustainability of impact* as well. Broadly speaking all approaches have become more "businesslike"; beneficiaries are now seen as "clients" and client willingness-to-pay is a normal measure of the merit and usefulness of individual services. The experiences of many programs (e.g. Kenya's SITE, see Appendix A, Data Base, Case no. 6) support the notion that all users, including the poor, are willing to pay for *useful* SL/E support - and that subjecting such services to this form of assessment is a useful evaluative measure.

In the early 1990s, big strides were made in translating the lessons learned from an eclectic array of credit and savings programs into a well-defined set of best practice principles that could be used to guide design, implementation, assessment and funding. In 1995, the Committee of Donor Agencies for Small Enterprise Development (DCSED) published good practice guidelines for finance.

Recent years have seen a similar effort to identify best practices in "non-financial services" (now BDS). However, BDS are much broader in their range and often more complex in terms of content and delivery (due in part to the need to tailor BDS to the specific needs of individual entrepreneurs). Hence, formulating guidelines for BDS interventions comparable to those for financial services has proven impractical, not least because all SED is changing rapidly as techniques become both more sophisticated and more rooted in the day-to-day realities of small enterprises. As a result, the focus has been on developing "best practice principles", ones that subsume the lessons learned from both financial services and BDS.

## **B. PERFORMANCE CRITERIA**

The quest for best practice principles is shaped by an attendant need for evaluation guidelines. The following four performance criteria represent a broad consensus on the areas evaluation should address:

- *outreach*, in terms of individuals, enterprises and organizations served
- *efficiency*, the cost and rate at which inputs are converted to outputs,
- *effectiveness*, the extent to which activities are relevant to development goals,
- *sustainability*, of both impact and (when appropriate) of operation.

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<sup>4</sup> Generally speaking credit and savings. This report refers to number of grant schemes, but does not discuss leasing, venture capital or other common forms of financial services.

## **C. BEST PRACTICE PRINCIPLES**

Eleven best practice principles have emerged from successful practice in both developed and developing countries. These principles have been shaped by near universal concerns for three “cross-cutting” issues: gender, human rights and the environment. The eleven best practice principles are:

### **1. Business-like and demand-led**

Theory and practice show that the fundamental principle which decisively shapes all SED is that the organizations that are best at supporting SMEs are themselves like SMEs in terms of their personnel, systems and values (Gibb and Manu, 1990). Adopting a business-like and demand-led approach does not require the abandonment or dilution of social objectives. This principle implies the need to:

- Use implementing organizations that are business-like;
- regard beneficiaries as discerning clients, rather than pliant recipients;
- develop transactional relationships with clients (based on exchange, not charity);
- develop a sound understanding of the needs and characteristics of clients;
- regard BDS instruments as products;
- apply regular and rigorous measurement to all activities; and
- maintain a strong awareness of local markets so that the demand-driven principle is not weakened.

### **2. Sustainability**

All the principles of good practice highlighted here are designed to support sustainability. Hence, providers should support interventions that offer a credible path to sustainability. For example, they should seek incorporation into private sector mechanisms and commercialization of services. Interventions should offer a realistic end to donor involvement. Interventions that are not finite need to have a clear rationale, a realistic donor exit strategy and a realistic sustainability plan.

### **3. Tailoring**

“Tailoring” means making an intervention specific and focused. Tailoring is characteristic of interventions that focus on or work within specific sectors of sub-sectors. Sectoral approaches do not preclude socio-economic targeting. They can be structured to identify and focus on viable pro-poor opportunities within a sector or sub-sector. . See e.g. Appendix A, Data Base, No. 7 Development Aid from People to People (DAPP), Malawi. Tailored/sector approaches help identify growth opportunities within specific sectors in areas such as waste management and, health, and housing (an area of particular importance for urban livelihoods) (Rakodi, forthcoming). See also Chapter III, D, the Wider Context.

#### **4. Participatory approaches**

Participatory approaches to planning and assessment help better understand user needs; engender greater ownership and enhances prospects for sustainability (in part by helping ensure that activities are necessary and realistic and that the prospective users are willing to pay for them). Participatory approaches tend to favor quick methods that are integrated with action.

#### **5. Maximizing outreach**

With few exceptions, BDS interventions are non-standardized and can seldom be packaged and delivered with the same efficiency as microfinance. This tends to raise costs and operational complexity. There are a number of techniques used to reduce the effects of non-standardization and increase effective outreach, including:

- Sector and sub-sector approaches, in which sector wide improvements can often be affected through modest carefully targeting interventions (i.e. by removing bottlenecks and by focusing on high-potential opportunities).
- Support for indigenous and traditional learning systems (i.e. “traditional knowledge”), a design aspect of many training programs, including, Appendix A, No. 8, the National Open Apprenticeship Scheme (NOAS), Nigeria. See also Chapter III, Section D.
- Adopting approaches based on institutional networking and enterprise networking (e.g. Appendix A, no. 22, The Business Now Program, South Africa) and ones based on mentoring (e.g. Appendix A, no. 26 India’s Bharatita Yuva Shakti Trust). See also Chapter III, C. The Importance of Networks
- Macro-level approaches that seek to influence policy in favor of SMEs. Virtually all Economic Structural Adjustment Programs have this implicit objective, though only recently has pro-poor “adjustment” been made more explicit), and
- shaping cultural attitudes through enterprise education and entrepreneurship <sup>5</sup>.

#### **6. Building on demonstrated initiative**

If SED interventions are to be both sustainable and locally owned, they have to build on what is already in place rather than supplant local efforts with imported visions or models - a design principle that very much reflects sustainable livelihoods values. One of the keys to the many and varied victories of the microfinance “revolution” was the manifest willingness to build on traditional systems. Most traditional apprenticeship model vocational training programs are based on the premise of building on local knowledge in skills training, e.g. Appendix A, No.s 5, 8 and 27). In practice it has often proved to be difficult to co-opt or influence these systems, particularly in stagnant or over-crowded sectors or trades of cultures where there is deep seated resistance to change (Fluitman, 1989).

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<sup>5</sup> SMEs perform best in countries and cultures that encourage and support entrepreneurship. While it is widely assumed that education and training systems have a role to play in developing entrepreneurial values, attitudes and behaviors, it is not known to what extent this is the case nor how it can be achieved most effectively.

## **7. Split and focus**

Consistent with a broader business trend towards concentration on “core business” enterprise support programs should focus on what they can do best, rather than diversifying into activities in which they have only limited capacity. Efficiency and effectiveness tend to follow “core” focus and specialization. Individual programs can increase their overall effectiveness and help address a range of client needs by using operational approaches based upon “institutional networking”. See also Chap III, C. Access and Efficiency: .. Networks.

## **8. Systematic approaches and program integration**

Despite the need to focus on core business and internal specialization, support programs must maintain a broader strategic awareness. Three approaches can help support programs maintain an appropriate degree of focus and internal coherence:

- institutional networking,
- joint ventures/subcontracting arrangements (between providers), and
- donor coordination.

See also Chap III, C. Access and Efficiency: The Importance of Networks.

## **9. Renewed focus on cost analysis**

Although cost analysis should not be seen as more important than outreach or impact, financial analysis should be used as a tool for the transparency, improved management and fine-tuning service delivery.

## **10. The importance of impact assessment and evaluation**

All interventions should be rigorously assessed. Participatory methodologies should be used. Assessment should contribute to and benefit from comparison and benchmarking.

## **11. Subsidiarity**

Subsidiarity means delegating responsibility to the lowest possible level where an activity can be effectively performed. In SED it is well established that services should be located close to the users and delivered by providers who are similar in social aspects and outlook. Subsidiarity implies that the primary role of the public sector is to create a conducive environment for SME development through:

- sound macro-economic management, including fiscal and monetary control;
- a relatively liberal economic system in which regulations are not an onerous burden or highly distorting; and
- competent delivery of public services, especially education (see also Chap III, D.)

Beyond these, there is little consensus on the role of the state, with much variation in practice. There are generally accepted good arguments in favor of subsidies to give disadvantaged groups access to particular services.



#### **D. DESIGNING FOR THE DISADVANTAGED**

There are two distinct schools of thought regarding the merits of business-like approaches to SED for the disadvantaged. One school posits that:

- A demand-led approach inevitably means that those with greater demand (better-off owner-managers) will benefit most;
- self-selection favors those with means, ability, drive and resources;
- microenterprise is a reluctant state, most prefer employment; microenterprises are predominantly “survivalist” and unlikely to contribute significantly to economic growth (see also Chapter III, E. Growth vs. Survivalist Enterprises);
- microenterprises are both simple and limited; hence, they have very little capacity to absorb help and little scope to grow; and
- the poor want and need jobs; therefore the focus should be on the few growth-oriented SMEs, rather than on many new small microenterprises (that are unlikely to grow).

An alternative view is that SED can deliver useful products to disadvantaged groups if they are designed appropriately. The two boxes that follow offer guidelines for (Box 1) and an example of (Box 2) aspects of designing for the disadvantaged.

<div data-bbox="1267 987 1367 1023"><b>Box 1</b></div> <div data-bbox="580 1025 1029 1066"><b>Good Training for Enterprise</b></div>
<ul style="list-style-type: none"><li>• Seek to train people for new growth sectors (e.g. information technology); be wary of training that qualifies people to work in stagnant over-crowded sectors (e.g. vending and trading)</li><li>• Encourage women to enter new and emerging sectors that are as yet “ungendered” – emerging sectors (e.g. electronic assembly) often have lower barriers-to-entry and higher labor absorption potential than traditional sectors</li><li>• Care should be taken to avoid “pushing” women into traditional, male dominated sectors (e.g. carpentry and metalwork), that are overcrowded or in decline</li><li>• Keep SED support programs simple and consistent. One or two key activities may be enough (i.e. specialize rather than generalize).</li><li>• Programs that attempt to work in multiple sectors (such as enterprise and health) may achieve less than programs that specialize in a single sector.</li><li>• Exploit traditional knowledge (e.g. traditional apprenticeship methodologies), but be wary of traditional barriers (e.g. gendered trades).</li></ul> <div data-bbox="895 1908 1351 1946">Source: Population Council, NY</div>

**The Trickle-Up Program (TUP)**

TUP is a “conditional” grant program. The “conditions” are clear and simple: recipients must meet a few clearly set out criteria in order to get the first increment of the grant, and that they must be successful, relative to a clear and explicit standard, in order to receive the second (and final) increment.

TUP is a grant program; it relies on contributions and is largely unconcerned with notions of internal sustainability. TUP is an outstanding example of a minimalist specialized program that directs virtually all its funds to its clients (end-users). Overheads and administration are insignificant, in large part due to a strong focus on end-users and an exceptionally efficient form of personal and institutional networking.

TUP has been operating for many decades and is tested and proven. It works as it is intended, and works well. It is a “model” example (though one not currently in favor in that is deemed “welfarist”) of how high impact livelihood supporting financial subsidy can be efficiently delivered to very poor people.

This writer must confess to some surprise that the TUP approach has not been more widely adopted. The TUP approach is exceptionally well suited to non-SED programs attempting to provide SED support services as a complement to other sector services (such as SRH). The AIDS Widows and Orphans Support, Uganda, (Appendix A, No. 28) and Zambia’s PALS-SRH Program (Appendix A, no. 30) are examples of SRH programs that have struggled unsuccessfully with mainstream microfinance models and that might benefit from the simple, direct and effective TUP grant methodology.

Both schools must contend with the question of subsidy - i.e. determining when and if subsidy is justified and useful. In general, interventions that require a relatively short-term period of external intervention and have an in-built exit strategy (e.g. technology development and transfer and business linkages) are seen to be better candidates for subsidy. Few common SL/E support services manifest such characteristics. Many, such as business skills and vocational training, are recognized as useful yet have little chance of operational continuity without subsidy. Current thinking and practice focuses on two approaches:

- seeking to minimize or eliminate external subsidies; or
- developing efficient and less distorting subsidy mechanism such as vouchers.

It remains all-too-common to justify the subsidy of quite standard approaches on the basis that they are new to an area or agency and hence warrant subsidy for “pilot projects” or for “institutional building”.

### III. BRINGING ENTERPRISE TO LIVELIHOODS: KEY ISSUES

#### A. SUSTAINABLE LIVELIHOODS DEFINED

*A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with ... stresses and ... enhance capabilities and assets ... while not undermining the natural resource base.*

DFID Sustainable Livelihoods Learning Platform  
<http://www.ids.ac.uk/livelihoods>

This conceptualization is set out in the UK Department for International Development's (DFID) *Livelihoods Guidance Sheets* (DFID, n.d.), a page of the DFID Sustainable Livelihoods Learning Platform: (<http://www.ids.ac.uk/livelihoods>). The accompanying framework encapsulates a process of reducing vulnerabilities and building capacities, largely through the enhancement (transformation) of assets. This conceptualization is inherently positive. It is people-centered, it takes as its starting point existing strengths rather than existing needs and it seeks to understand how relatively modest increments of support can help leverage large scale improvements in livelihood outcomes.

The notion of “assets” is at the core of the livelihoods concept. The Sustainable Livelihoods Learning Platform defines assets in terms of an “asset pentagon” comprised of five facets: natural, physical, financial, social and human capital. All have relevance to SL/E, though the balance among them is infinitely varied. In visual terms this means that the pentagon is irregular in shape and constant changing as assets are enhanced and diminished and shocks and setbacks absorbed.

#### B. TRADITIONAL KNOWLEDGE, AN UNAPPRECIATED SED “ASSET”

There are three important types of indigenous knowledge (vis-à-vis SL/E):

- Knowledge of local *production techniques* and practices (e.g. traditional medicine and agricultural practices)
- *Cultural* knowledge that influences how e.g. people organize, manage, share resources, participate, relate to power structures.
- *Traditional learning and skills transfer methodologies*, in particular at-home and in-school education techniques, peer group learning and support systems (which may have particular relevance in relation to youth), and most importantly traditional apprenticeship and EBT-based skills transfer practices

In part due to the influence of sustainable livelihoods thinking, there is a growing emphasis on “people-centered” development that takes as its starting point existing assets and existing strengths (rather than their weaknesses or shortages). This

fundamentally positive view readily accepts indigenous skills transfer methodologies as appropriate SL/E methodologies.

SL/E programs should identify and build upon indigenous skills and training methodologies, particularly in farming, off-farm processing and urban services. Skills transfer methodologies, in particular enterprise-based training and traditional apprenticeship practices are of particular important in imparting productive skills, expanding outreach and linking the modern and traditional sectors of the economy. Traditional practices tend to reinforce existing social and economic structures. Care must be taken to ensure that equity and environmental questions are adequately addressed.

### **C. ACCESS AND EFFICIENCY: THE IMPORTANCE OF NETWORKS**

Networks of institutions providing complementary self-employment services are often the best way to meet the multiple needs of those seeking livelihoods. Effective SED institutions link training with counseling, finance, and other forms of support through linkages and networks. Effective programs complement their own specialized services through network and linkage formation, rather than by providing “packages” of services. In general One-Stop-Shop models are not a viable, due to cost, complexity and low-demonstrated impact (despite being heavily subsidized common practice in many industrialized countries).

A useful example of institutional networking is found in Ghana, in the case of the Ghanaian National Association of Garages (GNAG). GNAG, which represents thousands of informal sector motor mechanics, panel beaters and garages, has drawn together both formal and informal institutions into a wide network offering a broad-based program of support to the auto mechanic’s sub-sector (Grierson and McKenzie 1996). This broad network encompasses political representation, licensing informal training, apprenticeship supervision, formal certification, information on and assistance with tendering, access to infrastructure - even tax collection.

Effective networks of support services are a natural outgrowth of interaction among enterprise promotion agencies, local markets and local communities. Livelihood promotion and SED programs must become network facilitators in order to become effective SED agencies. They need to adopt operational approaches and training techniques that stimulate and draw upon two distinct types of networks:

- *Enterprise networks* - comprised of the microentrepreneur’s own enterprises, those who trained them, their competitors, their suppliers, their creditors and their customers. Enterprise networks are often the basis for the mentoring relationships that are so crucial to enterprise survival and growth. Network formation is one of the strengths of enterprise-based training, particularly of traditional apprenticeships. Enterprise networks are essentially economic in character.
- *Institutional networks* - comprised of training programs, complementary support programs and institutions, banks and credit co-operatives, enterprise associations and the wide variety of other educational, social and economic organizations that work together to support self-employment. Institutional networks often work best

when they are informal, that is when they represent voluntary co-operation in the interests of synergy and complementarity. Institutional networks are essentially co-operative and administrative in character.

Enterprise networks allow small enterprises to establish and sustain profitable operations. Institutional networks allow SED programs to operate efficiently and effectively. SED promotion programs must have a clear operational grasp of the conceptual and practical differences between these two types of networks.

The networks needed by small enterprises are for the most part personal and informal. The success or failure of new enterprises often depends on the personal “enterprise networks” developed and exploited by their founders. Enterprise networks offer, first and foremost, access to markets, and thereafter to the resources needed to sustain and expand small enterprises. The effectiveness of many forms of EBT is closely related to the fact that the networks formed during training provide a low-cost, enduring and flexible form of follow-up support. This natural, flexible, widely available, and inexpensive support system reduces the need for program supplied follow-up, limits its scope, and facilitates early support program withdrawal. The likelihood of survival for the enterprise and sustainability for the support programs are greatly increased when enterprise networks help provide start-up and follow-up support to fledgling enterprises.

Institutional networks, on the other hand, are the networks of self-employment support institutions and the institutions and agencies they co-operate with in order to provide broad-based support for self-employment. They are important and necessary because they facilitate the efficient provision of an array of specialized services within a synergistic support network. Institutional networks enhance both the capacity and the efficiency of enterprise support institutions. Zimbabwe’s Informal Sector Training and Assistance Network (ISTARN) program is an example of both. ISTARN’s approach is based upon the premise that synergies and efficiencies derive from networks of specialized institutions. In addition, ISTARN uses an operational approach that seeks to maximize the degree to which new, microenterprises evolve from within enterprise networks. The mechanisms used include traditional apprenticeships and informal sector associations (Hancock and Carlton 1999).

## **D. EDUCATION AND PRO-POOR GROWTH**

### **Education**

Livelihoods is a holistic construct, one that presents both the opportunities and the challenges of working within a broad, multi-sectoral, framework. Understanding this complexity in relation to youth enterprises and youth livelihoods demands an appreciation of the role of education and an understanding of the intertwined and inter-related pathways to work and livelihoods.

Over a lifetime the work of the poor commonly proceeds in stages or cycles of employment, self-employment, enterprise and myriad combinations of these. Simon McGrath, Kenneth King *et al*, in looking at education and training for the informal sector, identified six principal pathways to work. With some risk of oversimplification, these can be summarized as the following three:

Note: “school” is used here in its broadest sense, meaning any level of education, formal or informal.

- from school to employment to self-employment/enterprise:

*Many youth, and a significant portion of young entrepreneurs, get their start as employees in either the formal or the informal sector. Employment - often together with the threat of unemployment - can provide the opportunity to gather together the requisite skills, networks, market insights, equipment and access to capital needed to facilitate enterprise formation. Many young workers are seeking or being pushed into enterprise.*

- from school to self-employment/enterprise to employment:

*Rapidly changing labor markets, together with growing and ever-younger populations, combine to severely limit opportunities to follow the “traditional” linear pathway of school to employment to enterprise. This dilemma of growing need and diminishing opportunities is the underlying motivation for many youth livelihoods initiatives. Entry-level jobs for young people are in short supply worldwide. The reverse is true in the case of skilled workers. Worldwide, jobs for skilled workers go begging. As a result, many of those who gain entry to the market through self-employment eventually go on to take jobs as semi-skilled or skilled workers.*

- From school to work:

*The smallest group by far is the lucky few who seek, find and keep secure employment*

Each of these subsumes a number of alternative sub-pathways (McGrath, King et al, 1995).

**Box 3.****Said Elmi, shoemaker: Cycles of employment and self-employment**

Said Ahmed Elmi is a 33 year old Somali shoemaker currently living in Hargeisa, the capital of Somaliland (formerly Northwest Somalia). Said has lived and worked many places in the past 15 years, for the most part compelled by circumstance to stay ahead of the shifting tides of war and civil war. Said's livelihood strategies have been as diverse as the paths he has followed across the Horn of Africa.

When Said was 14 years old he lost the use of his left leg as the result of an allergic reaction to medical treatment. As a poor youth in a nomadic culture, and with little education and no obvious skills, his livelihood prospects appeared severely limited. However, Said's assets included a willingness to work with his hands, an entrepreneurial sense of what he might do and sufficient social capital to get access to training. In 1986 he joined a donor-funded shoemakers apprenticeship program taught by Omar Ayeda, a master shoemaker from Mogadishu. After training he became a self-employed shoemaker, working as a junior member of a shoemakers co-operative. In 1988, following the outbreak of war, he fled to Mogadishu and joined his former teacher as an employee. When the war came to Mogadishu in 1991 he returned to Hargeisa and again established himself as a self-employed shoemaker, now working independently. When civil war broke out in Hargeisa in 1994 he fled for a time to Jigjiga, Ethiopia, where he was again self-employed. In 1996 he returned to Hargeisa. He is now a member of the worker's co-operative of the Somaliland Handicapped Training Centre, where he both produces shoes and trains others. Said Ahmed Elmi initially used a form of employment (apprenticeship) in order to become self-employed. When the need arose he then used his enhanced capacities to secure employment. He is currently self-employed. Said has a solid base of human and social capital, a demonstrated capacity to overcome adversity and the willingness and ability to help others build their livelihood assets.

Over time livelihood demands often compel cyclical changes in work status and encourage opportunistic combinations of employment and microenterprise. It is not uncommon to find both pathways used cyclically as well as simultaneously. This is particularly characteristic of those compelled to start work early in life. Many youth, such as Said Ahmed Elmi (Box 3), alternate regularly between employment and self-employment. The fluid and multi-dimensional reality of livelihoods is such that SL/E must anticipate that employment will be both a work *objective* and a self-employment *strategy*. This diversity is a useful weapon in the war on vulnerability. However, capturing the opportunities inherent in this diversity is a formidable challenge. Education in particular makes an important contribution. Education helps impart capacities to both cope with stresses, such as loss of work, and capture

opportunities, such as acquiring the skills needed for productive self-employment in lieu of readily available employment.

Education is quite different from most forms of SED support. The fundamental difference, from the livelihoods perspective, is that education makes a broad general contribution to asset enhancement while most forms of SED support make a specific and more immediate applicable one. Education is in a very real sense the base asset on which most human capital is built. A solid foundation of basic education enhances virtually all other efforts to build human capital assets - including the skills needed for enterprises. Hence, the urgency and practicality of calls for Education For All. These calls have a particular resonance in relation to HIV/AIDS and SRH. The evidence is strong that education helps empower young women to make sound SRH decisions and enables both male and female to better understand what constitutes “safe sex”. Support for education works best when delivered early, when most other options for young people are either impractical (i.e. many types of training) or undesirable (i.e. child labor). Even basic education results in general capacities that can be widely applied over time.

Education lends itself to large-scale systematic delivery of standardized products. Even if only in the basics - reading, writing and arithmetic - education results in sustained positive effects in many civic, social and economic areas. The ability to access, absorb and apply virtually all employment-related and self-employment related skills and capacities is a function of the prospective entrepreneurs educational.

Despite this well know and inter-related array of enterprise, livelihoods, empowerment and SRH benefits African education systems are failing to respond adequately. The failure is one of both outreach and equity. Education For All, though deemed a useful and attainable goal, falls far short of even its quantitative objective. In the poorest parts of the world as few as one in four girls complete primary school (Madavo, 2000).

### **Pro-poor Growth**

Support for livelihoods can be most effective when cast within an economic framework that favors pro-poor growth. Overall employment must be growing if further sub-division and displacement is to be avoided. Initiatives intended to “enhance welfare and employability ... should be undertaken in the broader context of policies aimed at enhancing overall labor absorption capacity” (ILO, 1999).

John Mellor, in surveying the literature on pro-poor growth, found that the “first step in ensuring rapid growth of microenterprise is expanding effective demand through growth in agricultural income” (because the) “demand for the products of microenterprise must expand”. Mellor found that that “expanding education for the poor” is an important contributing factor. In Mellor’s analysis the “facilitation of the growth of small scale non-farm enterprises, largely producing non-tradable (i.e. locally consumed) goods and services” is central to pro-poor growth (Mellor, 1999). These “small scale non-farm enterprises” are perhaps the key to tomorrow’s employment. They are the both an indispensable rural-urban link and the likely point where many new enterprises and jobs will emerge.

Even stagnant economies have many sector or activity specific pro-poor growth opportunities, in e.g. health services delivery and - in urban areas especially - in



areas such as housing construction and waste collection and management (Haan et al, 1998).

#### Box 4

##### Business to Business Supply-Chain Opportunities in Zambia

Eighty percent of food crops are produced by the small-scale producers in Zambia, as are 85% of feed cattle, and 95% of goats. However, despite their contribution to agricultural production, most producers are poor in areas where there is limited potential for growth and quality standards are low.

The Zambia Business Leaders Forum is developing a partnership program between small-scale farmers, large -scale agro-businesses and government to explore the potential for business-to-business linkages between small and large firms. For, example, the demand for stock feed is growing and large manufactures are importing maize and soya beans to meet the demand. Through the partnership, large scale producers are being encouraged to buy maize and soya beans and to work with government to supply the inputs and extension services needed to develop the production capacity of small scale producers.

The potential benefits include increased business and income for small-scale farmers and readily available production inputs for large producers. These types of relationships between enterprises large and small can provide much-needed opportunities for young men and women in rural areas, many of who now migrate to urban centers in search of employment and income.

### E. GROWTH VS. “SURVIVALIST” ENTERPRISES

There is a common distinction between enterprises whose main contribution is in terms of survival, as contrasted with enterprises that are oriented towards growth. This is a helpful distinction if it is viewed not as a simple dichotomy with enterprises put in one category or the other. In reality enterprises are ranged along a continuum. At one end are those in which people engage, despite low and often declining returns over time, because they find they do not have an opportunity to do anything better. Expansion in numbers of people engaged in such activities reflects a *push* of people seeking to earn a living who have not found other ways of supplying goods or services that are well rewarded in the market. Activities at this “survivalist” end of the spectrum make their primary contribution in terms of *poverty alleviation*, i.e. making poor people somewhat less poor.

At the other end of the spectrum are enterprises that generate higher and often rising levels of income. These reflect a response on the part of those running the enterprise to a *pull* of economic forces, as entrepreneurs respond to market opportunities they have identified. Activities at this “growth” end of the spectrum often make their contribution in terms of *poverty elimination*, i.e. helping poor people move up and out of poverty.

Enterprise promotion projects have different goals and objectives, in terms of the clients, aspirations for their client's enterprises, and therefore in the types of interventions they offer. The starting point must be a clear sense of the target population and of the opportunities that are likely to be available to them.

There is broad evidence suggesting that the numbers of people engaged in micro and small enterprise continue to grow - in good times and in bad. This reflects the fact that employment opportunities in the "modern sector" are decreasing, certainly relative to labor force growth, even as social safety nets shrink. People must find some source of income if they are to survive. From this perspective, it is not the creation of jobs *per se that is of most importance*, but the nature of those jobs. To express matters differently, a major goal of every project should be the creation of *better jobs* by helping move people along the continuum towards better jobs.

The nature of the jobs created in the SME sector is strongly influenced by the macro economy. When the economy is thriving and markets are growing, SMEs often enjoy healthy growth with rising levels of income. Where the local economy is stagnant and links to external markets are tenuous, the more dynamic micro enterprises share the general market hardships, with sluggish employment growth and stagnant incomes. In such cases more and more people are pushed, as a matter of need, into activities nearer the survival end of the SME continuum. In such circumstances, SED projects can do little to overcome the unfavorable macro environment. The best ones, with microfinance programs conspicuous among them, have made noteworthy contributions to poverty *alleviation*, and have done so for impressive numbers of individuals.

However, if more is to be done - if people are to be moved out of poverty - something different is usually required. A multi-dimensional set of changes is needed, involving such things as improved management, better technologies, and participation in more dynamic markets. Such changes generally involve more human capital (higher skills, education and training) and more physical capital (more complex machines, bigger space). These two - plus the increased scale associated with a larger turnover - will often involve the capital needed to meet both fixed and working capital needs. The implication for policy makers, planners and donors is the now standard one of seeking (or helping develop) an enabling environment, for it is only within a supportive macroeconomic and policy framework that "something different" is likely to emerge on the scale needed. This relatively clear "implication" is accompanied by a considerable dilemma: many countries with a substantial HIV/AIDS problem simply do not offer an enabling environment for the modern sector enterprises needed to broadly reduce poverty.

The main focus of most SED projects is not at the survivalist end of the continuum but at the growth end. They generally seek to help their clients not just survive but to grow. A frequent characteristic of such projects is that, once these new systems are in place, the project can revert to a supportive role, concentrating on monitoring and replication. In ideal cases, "projects" simply disappear with the SED capacities create dispersed throughout the local economy.

## **F. GLOBALIZATION AND TECHNOLOGICAL CHANGE**

Globalization of financial, product and labor markets has led to ever-greater developing country participation in global supply chains and ever-greater penetration of developing country markets. As the world economy becomes more integrated, local standards are no longer competitive (indeed often no longer applicable, even locally); pressures to reach international standards are increasing relentlessly. There have been profound changes in the organization of production. Systems based upon notions of economies-of-scale are in decline as lean manufacturing and just-in-time production shift attention to timeliness. Computerized production allows small factories to produce customized goods at mass-production prices. The plummeting prices of information technology allow SMEs to compete by giving them an edge in terms of flexibility and information-based innovation. The Internet is opening up tremendous potential for small enterprises to access mass markets in cost-effective and competitive ways.

These changes profoundly affect the context in which SMEs operate. They are likely to have a major impact on the types of support required by SMEs and on the way in which such interventions are designed and delivered.

### **Box 5**

#### **Information Technology and Youth**

The explosion of Information Technology (IT) on a global level has heightened the need for developing countries to seek opportunities to integrate information technology into national economic strategies and business processes. In developed countries, youth are emerging as the drivers of innovation in the application of information technology, based on the premise that “opportunity is created where passion, entrepreneurship, technology and youth combine”.

Many opportunities exist for the export of services in, e.g. data processing and management, website development, software programming, cultural products and tourism marketing. IT can make education and training more accessible. However, many contend that the globalization, combined with the advent of IT is aggravating the divide between the haves and have-nots.

One of Africa’s key assets is its youth; they are the key to exploiting Africa’s economic potential. The successful application of new technologies will require significant efforts in policy and institutional development at the national, regional and international levels. Priorities need to be determined, opportunities and risks identified and competing technologies assessing. Youth and their representatives must be consulted.

## IV. LESSONS LEARNED

- ❑ “Youth” remains an undefined and unrefined notion, with significant regional and cultural variation.
- ❑ Information, education and communication (for SRH) are insufficient to bring about sustained change in youth SRH practices. Livelihood alternatives and income support mechanisms are also needed.
- ❑ SL/E is an effective but limited instrument; one that is most effective when targeted on carefully “selected” users. SRH is much more of a “mass” instrument. Because of this there is both a limited likely “point of linkage”, and a high degree of skill needed to conceptualize, identify and manage initiatives that effectively link SL/E-SRH. At this early and embryonic stage of SL/E-SRH thinking and practice the piece of the puzzle most needed is a better understanding of the characteristics of the point of linkage.
- ❑ SL/E-led initiatives are more likely to exert an *indirect* influence on SRH and HIV/AIDS (through contributing to poverty reduction), than a *direct* effect (by providing income and the economic basis for behavioral change). It is not clear, however, how significant the indirect effect is likely to be.
- ❑ There is a broad consensus that the ultimate solution to the youth SL/E problem (and, hence, the most supportive context for addressing the problem) is within the “broader context of policies aimed at enhancing the overall labor absorption capacity of African economies” (ILO 2000). SL/E-SRH initiatives are likely to most effective when they operate within a supportive macro-economic environment, notwithstanding that the greatest need is often in countries or regions where macro-economic conditions are decidedly unfavorable.
- ❑ In all economies most emerging opportunities are concentrated within growth sectors. This is true of stagnant and contracting economies as well. In both cases it is necessary to identify and focus on pro-poor growth sectors. Many of these opportunities are as yet “ungendered”, particularly in “modern” sectors that are not based on traditional crafts and trades.
- ❑ In business, a degree of failure and “churning” is normal and should be anticipated. Bennell reports that 35% is a reasonable street-up/short-term survival rate<sup>6</sup>. This is broadly consistent with extensive anecdotal evidence. This modest yet realistic likelihood of success combined with the limited “point of linkage” suggest that SL/Es cannot be expected to exert a “mass” influence on SRH behavior.

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<sup>6</sup> Early phase results are often better than the subsequent norm, as are the results of well-established best practice programs. The Calcutta Youth Self-Employment Centre (CYSEC) has over more than 25 years demonstrated a well-established norm of 65%, and does so at a remarkably low unit cost (Grierson 1996). In general, 35% represents a realistic and broadly applicable rule-of-thumb.

- ❑ Youth is important. Broadly speaking, youth is a handicap in relation to enterprise (due *inter alia* to the modest skills, experience, capital, networks and status that are normally associated with youth). The notion of youth as an “asset” does not mesh comfortably with the practical realities of enterprise development
- ❑ *Selection* is important. One of the clearest and most emphatic lessons from enterprise best practice is that clear target group (TG) identification and careful selection within a clear TG frame is essential. Virtually all forms of selection have a positive effect. Despite this there is no standard, much less “model”, selection methodology.
- ❑ Gender is important. While the recognition of the importance of gender is cross-cultural, specific issues and manifestations vary considerable among cultures and among sub-groups as well.
- ❑ The indirect and social effects of successful SL/E (e.g. enhanced self-esteem, improved status) are deemed to be important, but are not yet well understood.
- ❑ There is tendency to over-emphasize “the lack of access to credit” and to place an unwarranted faith degree of in microfinance as the primary SL/E instrument (see. Morduch 2000). This is balanced to a modest degree by efforts to evolve microfinance approaches that specifically respond to SRH and HIV/AIDS realities (see e.g. Parker 2000).
- ❑ There is a marked tendency for existing initiatives to favor SL/E services that lend themselves to generalized or “mass” delivery (e.g. credit rather than training; entrepreneurship training rather than vocational training). There is no evidence in the enterprise literature to suggest an empirical basis for this tendency to favor “mass” SL/E approaches. The inference is that the nature of the implementing institution, rather than the “demands” of existing and emergent youth entrepreneurs, is the determining factor.
- ❑ Hi-risk and disadvantaged target groups require specifically designed and targeted interventions. There is a well-known tendency to respond to “more needs” with “more services” (i.e. “packages of services”). The SED literature does not offer strong support for this all-to-common practice. Greater attention is needed to identifying/evolving “better services” (i.e. more appropriately designed; more effective services) rather than deferring to the intuitive logic of “more services”. The Trickle-Up Program (TUP) is an example of a modest, effective, simple, well-designed program.
- ❑ Approaches that “package” SL/E and SRH components (whether as “equal components” or “add-ons) are but one way to link livelihoods and SRH - and in many cases not the most effective means of linkage. Greater attention - in both research and practice - needs to be given to mechanisms for linkage based on institutional networking (rather than multiple provision through a single entity).
- ❑ Many of the readily apparent design deficiencies can be traced to the marked lack of user influence on design, implementation and assessment. The socio-cultural specificity and complexity of the target groups (i.e. hi-risk youth in hundreds of cultures and sub-cultures) require much greater user participation in all stages of research, design and assessment. Both practice and research should better reflect user preferences as well as SED best practice.

## DESIGN and ASSESSMENT TOOLS

The principle output of this study is a set of four tools intended to support practice and research. The four tools are:

- **Tool One – Enterprise Context:** The purpose of Tool One is to consolidate and display the field of small enterprise development and to place individual initiatives within this framework.
- **Tool Two – Typology of Program Design Parameters:** Tool Two is used to define individual initiatives in terms of their key operational characteristics.
- **Tool Three – Reproductive Health and Youth Livelihoods “Linkages”:** The purpose of Tool Three is to conceptualize and identify the point of effective linkage.

**Tool Four - Design and Assessment Tools:** Tool Four presents a typology of programs, considers these in relation to four key issues (relevance, cost, equity and asset building) and discusses the implications (in terms of key issues) of adopting each of the five program typologies. Tool Four is a synthesis of best practice evidence in relation to identified common practice.

### A. TOOL ONE: SED AND THE PRIVATE SECTOR DEVELOPMENT CONTEXT

Tool One sets the stage by helping place individual SL/E initiatives within the larger framework of enterprise development.

Within the diverse field of enterprise development many distinctions can be made. Broadly speaking, support interventions can be categorized into three generic categories. Initiatives in support of enterprise typically focus on one of three broad areas (or combinations thereof):

- Macro (policy)
- Meso (support for intermediary institutions and enterprise associations)
- Micro (addressing the internal financial and non-financial needs of individual enterprises, and encouraging relations among enterprises <sup>7</sup>).

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<sup>7</sup> Including, business linkages, clustering, sub-contracting and programs focused on a sector-specific area of activity e.g. urban housing,) or sub-sector (e.g. construction materials). Many forms of EBT and mentoring are based upon relations among enterprises. When these techniques work well they enhanced social assets (enterprise networks) as well as human and assets (i.e. skills).

SED INTERVENTION OPTIONS				TOOL ONE
<i>Type of Intervention</i>	LEVEL of INTERVENTION			
	MICRO	MESO	MACRO	
<i>Policy interventions</i>				
<i>Intermediary Institutions, associations</i>				
<i>Relations among enterprises</i>				
<i>Internal needs of enterprises</i>				

Tool One is used to locate individual programs or initiatives within the “universe” of SED possibilities.

There are many implications involved in placement. Macro-level policy interventions are generally intended to stimulate overall growth while "leveling the playing field". They do little to enhance individual assets, but they do much to expand opportunities. Micro level interventions are directed at enhancing individual enterprise assets, but can do little to increase overall opportunities. It is worth noting that virtually all the programs reviewed in this report are focused on the micro level needs of individual enterprises.

It is worth noting that virtually all the programs included in Appendix A (“Data Base”) - which is to say, identified common practice - focus on the micro level needs of individual enterprises, or, in a few cases, on their meso level associations. The services on offer are restricted to the four “typical services” indicated below. The table below is intended to illustrate this in somewhat dramatic fashion by highlighting how few SED instruments are in commonly use.

SED INTERVENTION OPTIONS				TOOL ONE (example)
<i>Type of Intervention</i>	LEVEL of INTERVENTION			
	MICRO	MESO	MACRO	
<i>Policy interventions</i>				
<i>Intermediary Institutions, associations</i>				
<i>Relations among enterprises</i>				
<i>Internal needs of enterprises</i>				

**TYPICAL SERVICES:** Microfinance, Training, Mentoring, Enterprise Associations

## **B. TOOL TWO: DESIGN PARAMETERS**

Tool Two is used to describe” individual models and approaches in terms of a composite of parameters. Each parameter is presented as a continuum of possibilities with many options along the continuum. This report does not attempt to catalogue this rich variety. The emphasis here is on the complexity of design, the often unexplored diversity of available instruments, and on the dynamic nature of each continuum. Tool Two is intended to help:

- highlight key design and assessment parameters,
- facilitate individual program descriptions of individual, and
- establish the basis for comparative assessment and benchmarking based upon key design and operational characteristics.

There are many ways of categorizing enterprise, livelihoods and labor market support programs <sup>8</sup>. Program typologies tend to describe initiatives in terms of their target groups, their objectives or the services offered. In general, they give only a superficial impression of their conceptual underpinnings and operational characteristics and offer little in the way of useful benchmarking. The current emphasis in SED best practice research is in improving methods of design and assessment.

TOOL Two, below, is used to describe individual models or approaches in terms of a composite of parameters. Each parameter is defined in terms of a continuum of possibilities. There are, of course, many points (options) along each continuum. This report does not attempt to catalogue this rich variety. The emphasis here is on the often-unexplored diversity of options and on the dynamic nature of each continuum.

Tool Two is intended to help:

- highlight key design and assessment parameters,
- allow individual program descriptions to emerge from a typology of key parameters, and
- create the basis for comparative assessment and “benchmarking<sup>9</sup>” based upon key characteristics.

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<sup>8</sup> E.G. Kanyanze et al, describing the ILO’s “Program on Strategies to Combat Youth Marginalisation and Unemployment”, offers a four component typology:

- Systemic reform of education and training systems
- Provision of capital, training and other enterprise development services
- Active labor market policies
- Direct employment creation

<sup>9</sup> A technique for comparison and learning through the collation of the collective experiences (the benchmarks) of similar organizations and/or best practice leaders.



Note: TG = Target Group ("youth" assumed in all cases)

TOOL TWO			
TYPOLOGY of PROGRAM PARAMETERS			
PARAMETER	CONTINUUM		
SED INTERVENTION TYPE / LEVEL CHARACTERISTICS			
SED Intervention Level	micro	meso	macro
Degree of Policy Focus	low	-----	high
Degree of Intermediary Focus	low	-----	high
Degree of Enterprise Focus	low	-----	high
OPERATIONAL CHARACTERISTICS			
Basic Operational Approach	self-contained	-----	networked
Operational focus	On inputs	-----	on outcomes
Conceptual Openness	Defined model	-----	learning approach
Learning basis	Empirical evidence	-----	user perceptions
Basic SL/E Design Basis	“minimalist” (specialized)	-----	“integrated” (“package” of services)
Focus of service delivery	Individuals	-----	“mass”
Market focus	Demand-led	-----	supply-led
SL/E Focus	Microfinance	-----	BDS
BDS focus (if applicable)	Hardware (equipment, infrastructure)	-----	software (skills, technology)
Training focus	skills/capacities	-----	attitudes
Skills/capacity focus	General (e.g. entrepreneurship.)	-----	Specific (e.g. vocational skills)
TARGET GROUP (TG) CHARACTERISTICS			
TG (definition)	General (e.g. youth)	-----	Specific (e.g. orphans)
TG basis	need	-----	ability (potential)
TG (school status)	in school	-----	out-of-school
TG (degree TG at-risk)	Low-risk TG	-----	high-risk TG
Selection	Undefined	-----	specified
SEXUAL & REPRODUCTIVE HEALTH (SRH) CHARACTERISTICS			
Basic SRH focus	Life skills	-----	sexual behavior
Specific SRH focus	Goods (e.g. condoms)	-----	services (e.g. awareness)
Others: ??			

TOOL TWO (example)	
TYPOLOGY of PROGRAM PARAMETERS	
PARAMETER	CONTINUUM
SED INTERVENTION TYPE / LEVEL CHARACTERISTICS	
SED Intervention Level	<b>Example: SITE, Kenya, Non-formal vocational training for self-employment (Appendix A, No. 6).</b>  SITE is both <i>micro</i> (enterprise level) focussed: strengthening human capital assets (vocational skills) of nascent and prospective microentrepreneurs; and <i>meso</i> (institution level) focussed: training trainers and strengthening enterprise associations.
Degree of Policy Focus	
Degree of Intermediary Focus	
Degree of Enterprise Focus	
OPERATIONAL CHARACTERISTICS	
Basic Operational Approach	<b>Example: TUP, Trickle-Up Program, Africa, a conditional grant programme (Appendix A, No. 17). See also Box 2, p. 9.</b>  TUP's operational focus is very strongly on "outcomes" (grant induced microenterprise start-ups). Conceptual openness is relatively limited - the model is tightly defined; there is, however, a constant learning process, informed for the most part by its unusual and effective form of networking. The "basic design" is pronounced minimalism (specialization) i.e. TUP offers a single product, a defined form of conditional grants. The delivery focus is on self-formed small groups; hence it is center-left on the individual-mass service delivery continuum. The "market focus" is demand-led; additionally it is largely user identified. The "SL/E" focus is microfinance (grants). There is no BDS aspect (known to this writer). "Selection" is defined, broadly by the TUP model's criteria and further on a more arbitrary basis by TUP's unique system of the volunteer intermediaries (a mechanism that serves to sharply curtail overheads while allowing an impressive degree of "scaling-up").
Operational focus	
Conceptual Openness	
Learning basis	
Basic SL/E Design Basis	
Focus of service delivery	
Market focus	
SL/E Focus	
BDS focus (if applicable)	
Training focus	
Skills/capacity focus	
TARGET GROUP (TG) CHARACTERISTICS	
TG (definition)	<b>Example: BESP, Business Establishment and Sustainability Program, South Africa (Appendix A, No. 21).</b>  TG definition: Out-of-school youth (between 18-35 years of age). TG basis (selection) is clearly focussed on ability (center-right on the continuum). "School status" is out-of-school. No degree of "at-risk" is specified. The "selection" system is clearly spelled out, rigorous and comparatively complex and lengthy (far right on the continuum).
TG basis	
TG (school status)	
TG (degree TG at-risk)	
Selection	
SEXUAL & REPRODUCTIVE HEALTH (SRH) CHARACTERISTICS	
Basic SRH focus	<b>Example: PALS, Partnership for Adolescent and Reproductive health, Zambia (Appendix A, No. 30)</b>  The "basic SRH focus" is on "life skills" (center-left on the continuum) with the "specific" SRH focus on "services", i.e. "awareness" (Far right on the SRH focus continuum).
Specific SRH focus	

### C. TOOL THREE: LINKING SRH AND SL/E.

Tool Three explores the nature of the linkage between SL/E and SRH, with the focus on key characteristics that positively and negatively influence the *potential* synergies of the SL/E - SRH linkage

SRH initiatives tend to be broad-based and standardized. They seek to influence large numbers of people within a large target group (e.g. youth) with a single basic message (i.e. “safe sex”), and may contain limited but important opportunities for small enterprise (e.g. in condom marketing). As such, SRH lends itself to massification and large-sale techniques such as “campaigns”. In general SED initiatives tend to be the opposite. Enterprise development programmes tend to offer relatively specialized services to “selected” (often self-selected) individuals<sup>10</sup> with specific and varied needs. The nature of enterprise typically demands short-term quick delivery of specific services at a relatively high level of sophistication<sup>11</sup>. Very few enterprise support services can be *usefully* delivered on the same mass basis as “safe sex”.

There are exceptions to the general rule-of-thumb that enterprise development does not lend itself to either “massification” or broad generalization. These include policy interventions, “entrepreneurship”, - and, of course, micro finance. Notwithstanding their more general character, these exceptions are also fully subject to the truism that there is no such thing as enterprise-for-all. Those who can make good use of enterprise services are relatively few within any target group. This specific group of candidate entrepreneurs must be identified and “selected”; a process that is particularly fraught in this case in that “youth” is itself a substantial barrier-to-entry to enterprise. Young people, due to their very youth, have had little opportunity to gather together the wherewithal to form a productive enterprise.

One of the obvious yet seldom-cited reasons for the popularity of microfinance is its scope for massification. This is due in large part to the fungibility of money. Fungibility allows the product to be standardized with the recipient responsible for translating money into the specific goods or service that are needed.

It is important to recognize two things.

- The scope for mass delivery does not of itself equate with need or define a specific service as that which is most useful or need<sup>12</sup>, and

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<sup>10</sup> Who are sometimes, though not generally, “grouped” for practical reasons such as peer-based collateral.

<sup>11</sup> The lessons of agricultural extension do not generally apply. In agricultural development modestly skilled workers can deliver useful standardized support to large numbers (e.g. information on safe fertilizer use). Hence, there may be considerable scope for linking agricultural development programmes with SRH initiatives (a question beyond the scope of this study).

<sup>12</sup> Microfinance, as with the management of money generally, is a sophisticated field. Fulfilling the potential for “scope” (i.e. scaling-up”) calls for considerable and specific expertise in *micro*-finance management. Non-SED specialist SRH and “youth” programs providers as do not have an encouraging track record as microfinance providers (see e.g. Appendix A, No.s 28 and 30).

- Their inherently different product and service delivery characteristics mean that SL/E and SRH, while complementary tools in the fight against poverty induced high-risk sexual behavior, are not easily compatible in terms of programming.

Visually, this is represented (below) as a limited point of “linkage”:

### TOOL THREE

#### SRH and SL/E: Point of Linkages

	“Selected”	
“Mass”	<b>Point of Linkage</b>	SRH initiatives
	SL/E initiatives	

The actual “point of linkage” might be at any point along the mass-SRH continuum and will vary from case to case. The issue emphasized here - and the purpose of Tool Three - is merely to stress that the point of linkage is both limited and specific.

The limited evidence available suggests that the correctly identifying the SRH-SL/E “linkage” is at best a challenge, and may well not be practicable using existing “tools”. However, while “SRH Plus” - i.e. SRH together with SL/E - is decidedly problematic it may be more inherently practicable than the opposite. Reaching selected sub-groups within a mass SRH target group is easier than reaching a mass audience via the much more “selective” mechanism of SL/E. This assumes, of course, that HIV/AIDS is being approached as fundamentally an SRH issue. If, as e.g. Francis Chigunta and others argue, it is fundamentally a poverty issue, then appropriate “mass” programming may well be appropriate. This does, however, imply the need for a much more broad-based economic approach than those offered by either sustainable livelihoods or enterprise development.

Operational incompatibility is more likely to result when the linkage is within a single program, rather than through institutional networking. The fundamental differences in the nature of SL/E and SRH are such that considerable effort and some innovation will be needed to overcome their inherent incompatibilities. Otherwise put, we do not yet have sufficient evidence to suggest that SRH and SL/E are directly compatible. The issue of identifying appropriate and effective operating modes is among the typology parameters in Tool Two. It is an issue that is being addressed by *inter alia* the International Centre of Research on Women by Dr. Simel Esim and others.

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Furthermore, there is a growing body of opinion supporting the view that while microfinance may alleviate poverty (and by implication help reduce HIV/AIDS) this position is “supported by neither logic nor by the available empirical evidence” (Morduch, 2000). In summary, two further points want noting: 1) scope for mass delivery does not imply capacity, and 2) even when both scope and capacity are in place the desired outcome (i.e. poverty reduction induced improved SRH behavior) is by no means assured.

#### **D. TOOL FOUR: DESIGN AND ASSESSMENT TOOL**

Tool Four offers a framework for assessing the operational implications of each of five generic program types. In every case operational implications are considered in terms of four key issues: relevance, cost, equity and asset enhancement. Each of these issues is discussed below:

- 1. RELEVANCE:** Relevant refers to the degree to which the initiative reaches and responds to the aspirations of the target group while accomplishing the intended purpose.
- 2. COST:** Virtually all SL/E - SRH initiatives are both costly and subsidized. Cost should to be assessed in terms overall social or economic benefits and in terms of the operational viability and continuity of the program.
- 3. EQUITY:** Assistance is often difficult to access (barriers-to-entry) and difficult to use (barriers-to-participation), especially for those who, due to social or economic disadvantage, are in greatest need of healthy livelihoods. Equity should be assessed in relation to the degree to which initiatives reach and serve the target group while reflecting and accommodating the culture and the customs of those they serve.
- 4. ASSET ENHANCEMENT:** Livelihood development is grounded in the idea that the disadvantaged do have an array of assets, and that these assets represent the basis for and a key contribution towards their livelihood. Assessment (monitoring and evaluation) should therefore consider the degree to which interventions start with and subsequently enhance “assets”.

The following six pages outline five generic program types, each considered in relation to relevance, cost, equity and asset enhancement.

There are many systems for categorizing enterprises - and much debate about how this should be done. The generic categories used here are derived from the current debate and reflect modifications intended to encompass:

- “linked SL/E-SRH” - the subject of this study but not heretofore a recognized category of enterprise development;
- “sector specific programmes”, in that this category is well-represented in the data base as a distinct category; and
- “enterprise needs”, “SME-to-SME relationships”, and “policy”, three categories which subsume common perspectives on enterprise development while offering broad coverage of the sector.

Collectively, this categorization is thought to be unique to this study.

DESIGN and ASSESSMENT for SL/E					TOOL FOUR
	PROGRAM TYPOLOGY				
<i>Type</i>	A ENTERPRISE NEEDS FOCUS	B SME - TO - SME RELATIONSHIPS FOCUS	C SECTOR SPECIFIC FOCUS	D “LINKED” SL/E-SRH FOCUS	E POLICY (MACRO) FOCUS
<i>Examples</i>	<i>p.28</i>	<i>p. 29</i>	<i>p. 30</i>	<i>p. 31</i>	<i>p. 32</i>
<i>Issues</i>	Implications				
RELEVANCE					
COST					
EQUITY					
ASSET ENHANCEMENT					

Tool Four A (example)	
DESIGN and ASSESSMENT for SL/E	
Type	ENTERPRISE NEEDS FOCUS
<i>Examples</i>	<ul style="list-style-type: none"> <li>• (microfinance) Appendix A, no. 12, PAM, Uganda, no. 14, YDCS, Malawi</li> <li>• (microfinance/grant), Appendix A, no. 17, TUP. Africa</li> <li>• (demand-led vocational training), Appendix A, no. 1, RTC, Zimbabwe, (traditional trades) no. 3, CRTV, Tanzania.</li> <li>• (microfinance and credit for street children), appendix A, no. 5, Undugu, Kenya (includes “school for life” basic educational component)</li> </ul>
Issues	Implications
<b>RELEVANCE</b>	High (when successful, i.e. when some form of work is the outcome). Success is strongly related to how effectively services offered respond to local demand, how integrated programs are with local markets (e.g., re: mentoring, EBT) and communities and how “business-like” they are in their operational practices.
<b>COST</b>	Variable: unit costs tend to be relatively high; sustainability is problematic due to the general nature of BDS support services and the poverty of the target group. Microfinance has greater potential for sustainability.
<b>EQUITY</b>	Generally high, due to strong poverty/disadvantage targeting.
<b>ASSET ENHANCEMENT</b>	High (skills, capital), though this is necessarily qualified by respective of “relevance”.

Tool Four B (example)	
DESIGN and ASSESSMENT for SL/E	
Type	SME - TO - SME RELATIONSHIPS FOCUS
Examples	<ul style="list-style-type: none"> <li>• (EBT), Appendix A. No. 2, ASAFIN, Senegal</li> <li>• (EBT-apprenticeship), appendix a, no. 7, NOAS, Nigeria</li> <li>• (mentoring – with credit), appendix A, no. 18, YBT (Ghana and South Africa), no. 27, BYST, India.</li> <li>• (institutional and enterprise network building for SED) appendix A, no. 22, Business Now, South Africa</li> <li>• (business linkages) See Box no. 4</li> </ul>
Issues	Implications
RELEVANCE	High (when successful). The relationships catalyzed are often the key to market access (networks, skill acquisition, follow-up support, jobs, self-employment).
COST	Characteristically low direct and unit costs: Approaches based on business-to-business relationships are inherently low cost (the output is essentially a network relationship). Little infrastructure is required, though such initiatives can be management-intensive. Sustainability of impact is high when useful relationships are catalyzed.
EQUITY	Weak inherent equity aspect, due to likelihood of traditional barriers. Barriers tend to be lower in emerging, growth and modernizing sectors. Design components may be needed to ensure equitable access.
ASSET ENHANCEMENT	High, relative to human capital assets (skills) and social capital access (networks, reduced barriers to entry)



Tool Four C (example)	
DESIGN and ASSESSMENT for SL/E	
Type	SECTOR SPECIFIC FOCUS
Examples	<ul style="list-style-type: none"> <li>• (construction) Appendix a, No. 7, DAPP, Malawi</li> <li>• (agriculture) Appendix A, no. 4, Limuru, Kenya (agric-sector craft training for women)</li> <li>• (information technology), see Box no. 5</li> <li>• (waste collection and management), extensive and well-documented activities (e.g. Egypt), not included in Appendix A. Haan et al, 1998, is a comprehensive overview of SME opportunities in waste management.</li> </ul>
Issues	Implications
RELEVANCE	High, when jobs and enterprises result from accurately targeting pro-poor niches within growth sectors.
COST	Variable with the nature and scale of the program, good scope for increasing cost-effectiveness by complementing market “pull” into growth sectors (i.e. urban housing construction)
EQUITY	Variable with sector, key variable: growing or stagnant, traditional or modern. Design processes must anticipate the need for equity components.
ASSET ENHANCEMENT	High (skills, market access, jobs, enterprises are projected outcomes), asset enhancement is a function of the degree of relevance.

Tool Four D (example)	
DESIGN and ASSESSMENT for SL/E	
Type	“LINKED” SL/E-SRH FOCUS
Examples	<ul style="list-style-type: none"> <li>• (microfinance)Appendix A, No 28 (AIDS widows, Uganda) and no. 30, PALS, Zambia</li> <li>• The examples given are consistent with general anecdotal evidence that multi-facet, multi-sectoral approaches are problematic (particularly those involving microfinance which demands a high standard of management).</li> </ul>
Issues	Implications
RELEVANCE	Unproven. The direct SL/E-SRH linkage is assumed to be relevant largely based on the principle that poverty alleviation positively impacts SRH. There is as yet no strong evidence that combining these elements under a single operational entity can have the desired effect.
COST	High, relative to modest impact. The cost and complications of managing microfinance, particularly in problematic cases such as PALS, Zambia, can reduce the effectiveness of other program aspects (notably SRH). Many of the costs of unsuccessful SL/E-SRH linkages are hidden
EQUITY	High, in terms of target group and access; low relative to SL/E equity impact due limited impact from SED component.
ASSET ENHANCEMENT	Modest. Note: AIDS Widows, Uganda was a grant program, subsequently converted (unsuccessfully) to a credit program.

Tool Four E (example)	
DESIGN and ASSESSMENT for SL/E	
<i>Type</i>	POLICY (MACRO LEVEL) FOCUS
<i>Examples</i>	<ul style="list-style-type: none"> <li>• Pro-poor agriculture-led national growth strategy</li> <li>• No examples in Appendix A</li> </ul>
<i>Issues</i>	Implications
RELEVANCE	High: Good potential for broad-based growth and pro-poor growth impact from stroke-of-the-pen changes (e.g. removing all tariff and administrative barriers to marketing self-produced agricultural produce)
COST	Low: Low direct and unit cost (if political will is sufficient), good scope for sustainability (of impact) and early donor exit.
EQUITY	Equity: weak, without specific equity targeting and complementary mechanisms at meso and micro levels
ASSET ENHANCEMENT	Little direct asset enhancement, good potential for improving

## V. NEXT STEPS

### A. A COMMENT ON THE GENESIS OF THE “TOOLS”

The principal output of this report, the Design and Assessment Tools, has evolved from two main sources: the Bennell report (itself consolidating evidence from several fields) and the extensive literature on SED best practice. Most of the additional evidence drawn upon is case studies of ongoing programmes (summarized in Appendix A, Data Base of ... Programmes). For the most part, the programs that comprise this “data base” manifest common and standard practices and approaches (see e.g. p. 22, “Tool One - example”, which is intended to emphasize this point). That is, the bulk of the additional evidence is comprised of unimaginative and often dated approaches to SED, only a few of which include an explicit HIV/AIDS component.

The modest level of innovation is surprising, as is the lack of specific innovation designed to bring the power of enterprise to bear on the HIV/AIDS crisis. The nature and scale of the HIV/AIDS problem demands innovation<sup>13</sup>. In addition, many of the approaches in common use are often not well supported by the SED literature. Though the “data base” does include examples of successful innovative programs, e.g. the Trickle-Up Program (Appendix A, no. 17), on balance, evidence of either innovation or introspection is disappointingly thin.

Those few initiatives that explicitly seek to combine SL/E-SRH have not been successful *in SL/E terms* (see, e.g. Appendix A, no. 30, Partnership for Adolescent Sexual and Reproductive Health (PALS), Zambia). Among the more obvious reasons for the shortcomings of the PALS program is that its SL/E-SRH “innovation” is at odds with accepted SED best practice (regarding multiple services). The PALS program combines markedly different services - SRH and microfinance - under a single operational entity. Microfinance is a sophisticated field; the complexities of microfinance are all-too-often underestimated. It is well established - and reaffirmed again here - that microfinance is seldom successful when “added on” as an adjunct to other specialized activities (see also, Chapter II, c, no. 7 “Split and Focus”). In the case of PALS, ignoring this rule-of-thumb has helped undermined a well-intentioned attempt at SL/E-SRH innovation.

Overall, the “data base” reveals little evidence of “learning” or, indeed, of specific intent to learn. Reflecting both the top-down nature of most development machinery and the patriarchal structure of most SSA cultures (though not necessarily SSA youth sub-cultures) few programs manifest or seek substantive user control or influence<sup>14</sup>. Few programs (among those reviewed) offer evidence of having derived their characteristics and values from their users’ perceptions. This is disappointing for at least two reasons. First, it is well established in the enterprise literature that effective

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<sup>13</sup> It must be noted that only a minority of the programs included in the “data base” (Appendix A) have an explicit HIV/AIDS aspect.

<sup>14</sup> Many pointedly avoid user control. It is not uncommon to find youth microfinance programs that only allow their clients to receive loan proceeds “in-kind” via the (rather than in cash). This is pointedly at odds with what might be called the post-Grameen conventional wisdom that needy people are both rational and responsible (i.e. bankable) and “trustworthy”.

interventions characteristically reflect the culture, values and practices of those they serve (see e.g., Gibb and Manu, 1990). Second, it is well acknowledged (if not adequately understood) that it is crucial among youth generally and in SSA specifically to understand and respond to the local context.

The recent if belated rise to prominence of the HIV/AIDS crisis seems certain to ensure that the expansion of practice will outpace supporting research. Furthermore, common practice, however appropriate, seems certain to be replicated, perhaps on a significant scale. In the enthusiasm to link SL/E and SRH components best practice has often been, and is in future, likely to be disregarded.

In some cases the solution to the problem of undervaluing SED best practice will be found by accessing expert SED services through institutional networking. This is not only a well-recognized and effective practice in its own right; it is the approach most likely to offer scope for quick and effective action on a significant scale. The networking approach, as with all approaches, has its limits. In many cases, the institutional networking option will simply not be available. This will present many SRH and sustainable livelihoods programs with the dilemma of doing poorly or doing without. The primary purpose of the “tools” presented in this report is to help ensure that research and practice initiatives, programs and concerned institutions make informed choices.

## **B. RECOMMENDATION: ACTION AGENDA**

The principal recommendation is that the lessons learned be applied to research and practice using the design and assessment tools set out in Chapter V, Design and Assessment Tools. The purpose of these tools is threefold:

- to facilitate the design of “linked” (SL/E-SRH) research and practice programs,
- to establish a basis for subsequent measurement using a typology of characteristics, and
- to provide a framework for monitoring & evaluating combined SL/E and SRH initiatives

All additional recommendations are derived from the analysis underpinning the evolution of the tools - and therefore subsumed into the tools themselves. The many specific observations and recommendations contained in this report are in effect steps in the process of producing the tools. Hence, they are both illustrative and parts of the larger whole. It is recommended that they be acknowledged as such and that the efforts be directed to applying and testing the tools themselves.

## **C. RECOMMENDATION: A RESEARCH AGENDA**

There is a clear need to:

- 1) expand and expedite research,
- 2) expand the number and range of “learning model” programs, and
- 3) limit the “replication” of “pilot projects” that are merely re-testing already well understood approaches.

There is a specific need to better understanding the *point of linkage*, i.e. the point where the intersection of SL/E and SRH is likely to generate the synergies needed to generate multiple levels of support for HIV/AIDS amelioration

Specifically, a research agenda should seek to:

- identify and understand effective points of linkage between SL/E and SRH.
- identify positive “multiplier effects” from linking components (both within and between SL/E and SRH).
- better understand the conflicts and synergies among various “mass” and “selected” instruments (both SL/E and SRH).
- review SED best practice with special reference to SRH, to help ensure that SL/E-SRH initiatives are well grounded and so that the synergies inherent in “linked” best practice are captured.
- Incorporate growth sector strategies and “pro-poor growth” concepts and practices into SL/E-SRH design and assessment.
- better understand the “complex and multi-dimensional nature of youth well-being”.
- identify the specific SL/E and SRH elements that influence well being.
- investigate and define the appropriateness of linking through four distinct formulations:
  - “linked by design - equal components”,
  - linked by “adding on components from another sector”,
  - “collaborative” linking (i.e. operational or institutional networking), and
  - circumstantial linking through mutual definition of high-priority target groups across sectors.
- Expand the degree of user participation in all aspects of SL/E-SRH design, implementation and assessment.

Many of the points noted above are derived from the ICRW typology (Esim, May 2000).

## **VI. APPENDICES**

### **A. “DATA BASE” OF YOUTH, ENTERPRISE, LIVELIHOODS AND SRH PROGRAMS**

The 30 projects and programs described in this database are grouped into four broad generic categories:

- skills training for self-employment and the informal sector (including those that describe themselves “income-generation”<sup>15</sup> programs);
- credit, finance and grant programs;
- “enterprise development” programs; and
- HIV/AIDS awareness programs

There is a good deal of overlap. Many of the projects/programs listed have components or aspects from two or more of these (and other) categories. They have been categorized here according to either their major activity or their (self-described) principal operational approach.

### **SKILLS TRAINING for SELF-EMPLOYMENT and the INFORMAL SECTOR**

1. Rural Training Centre for Youth, Matebeleland North Province, Zimbabwe
2. The Senagalese Association for Help in the Training and Placement of Disadvantaged Youth (ASAFIN)
3. Church-run Vocational Training Centres (CRTV), Tanzania
4. Limuru Girls Centre, Kenya
5. The Educational and Vocational Training Programs, Undugu Society of Kenya
6. SITE-Strengthening Informal Sector Training and Enterprise (SITE)
7. Development Aid from People to People (DAPP), Mikilongwe, Malawi
8. National Open Apprenticeship Scheme (NOAS), Nigeria
9. Employment Creation for Youth (ECY), Kenya (page 1 of 2)
10. The Katutura Youth Enterprise Centre (KAYEC), Namibia
11. Youth Enterprise Societies, Education with Enterprise Trust, (YES) South Africa
12. Poverty Alleviation and Microcredit, Uganda

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<sup>15</sup> “Income generation” is a confusing and uncertain term, one without a broadly accepted definition. Consistent with current practice, this report does not use the term income generation to describe a specific type or scale of enterprise. “Income generation” is generally used in this report only to refer to the revenue seeking quasi-commercial activities of NGO, public sector and non-profit institutions. Exceptions to this rule can be found in Appendix A (data base), reflecting the name or preferred designations of specific projects, programs or institutions.

## **CREDIT, FINANCE, GRANT SCHEMES**

13. Entandikwa Credit, Uganda
14. Youth Development and Credit Scheme (YDCS), Malawi
15. Tap and Reposition Youth (TRY) Savings and Credit Project for Adolescent Girls, Nairobi, Kenya.
16. Small-Scale Industries and Graduate Employment Scheme, Nigeria
17. Trickle-Up Conditional Grants in Africa
18. Youth Business Trusts in Ghana and South Africa
19. IG Spa (Imprenditorialita Giovanile) Initiative, Italy
20. National Foundation for Teaching Entrepreneurship (NFTE), United States

## **ENTERPRISE DEVELOPMENT PROGRAMS**

21. The Business Establishment and Sustainability Program (BESP), South Africa
22. The Business Now Program, Free State, South Africa
23. The Manufacturing Skills Course, South Africa
24. The School Leavers Opportunity Training program, South Africa
25. Australian Youth Business Initiative (YBI)
26. Bharatita Yuva Shakti Trust, India
27. Environmental Development and Action (EDNA), Senegal

## **SRH (HIV/AIDS) BASED PROGRAMS**

28. AIDS Widows and Orphans Support Project, Kampala, Uganda
29. Mathare Youth Sports Association (MYSA), Nairobi, Kenya
30. Partnership for Adolescent Sexual and Reproductive Health (PALS), Zambia

The thirty case studies that follow can be said to represent common practice, particularly in SSA, and as such comprise useful evidence. They do not, however, comprise a sufficient broad or diverse data base from which to infer “best practice”. They are used in this report largely for illustrative purposes.



## 1. Rural Training Centre for Youth, Matebeleland North Province, Zimbabwe

Type	Non-formal Vocational <b>Training</b> for self-employment
Target	<b>Unemployed Youth</b> from poor rural areas
Institutional context	Project duration is five years (1995-2000) A British NGO, ApT is working in partnership with ORAP, a large well-established Zimbabwean NGO.
Goals	Strengthening ORAP's overall capacity to manage and develop training and enterprise programs
Key features	<ul style="list-style-type: none"> <li>• 600 Trainees from poor backgrounds are nominated by local communities and screened by the Centre staff for entrepreneurial potential and aptitude.</li> <li>• Training is driven by local market demand, in a.) metal fabrication, b.) food technology (crop production, cooking and baking), c.) garment making, and d.) carpentry.</li> <li>• Half of the trainers will be young women.</li> <li>• Three types of <b>post training support</b> are provided: Business and technical <b>advice</b>; a small <b>hire purchase</b> scheme to give trainees access to tools and capital, and the provision of small <b>loans</b>.</li> <li>• It is intended that by the end of the project, 400 trainees will have established their own businesses.</li> <li>• Total project cost is (US\$980,000). To cover operational costs, the main sources of income emanate from rental of the center facilities (25 %), training fees (50 %) and income earned from the supply of goods and services to local communities (25 %).</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Training has been extended to six month in some cases (metal fabrication), in order to compensate for the trainees low technical/academic background.</li> <li>• Other problems: staff recruitment, high staff turnover, serious water shortages, and the devaluation of the Zimbabwean dollar, which resulted in a tenfold increase in construction costs.</li> <li>• Due to low enrollment the center is unlikely to become financially sustainable</li> </ul>

## 2. The Senagalese Association for Help in the Training and Placement of Disadvantaged Youth (ASAFIN)

Type	Non-formal Vocational <b>Training</b> for self-employment
Target	Poor <b>out-of-school youth</b> between the ages of 14-21
Institutional context	ASAFIN's main partner organization is the <b>Orphan Apprentices Foundation</b> in Auteil, France.
Goals	ASAFIN assists students to find jobs and also promotes micro-enterprises. <b>Training:</b> 3 years of training in a wide range of semi-skilled and skilled occupations. Industrial placements with local enterprises are only available for approx. 200 students each year. Training is both informal and non-conventional.`
Key features	<ul style="list-style-type: none"> <li>• The center has developed its own curriculum and certification.</li> <li>• The children enter the center with a project in mind and they come out with the capabilities and competencies to carry out their project.</li> <li>• Students are expected to develop their <b>own employment projects</b>.</li> <li>• Student fees account for three-quarters of the centers income.</li> <li>• Total expenditure per student was around US\$130 in the early-mid 1990s.</li> <li>• Fees are waived for around one-quarter of the students who are orphans or cannot afford to pay.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Total enrolment in the mid 1990s was 2,400, 30 % of whom were young women.</li> <li>• Evidence of employment outcome is very limited.</li> <li>• The center's management claim that <b>85% of graduates find suitable employment</b>, but it is not clear what the breakdown is between wage and self-employment.</li> <li>• Overall management of the center is weak since there is no mechanism for planning, systematic evaluation, or follow-up.</li> <li>• Graduates are recognized as being `creative and enterprising.`</li> </ul>

### 3. Church-run Vocational Training Centers (CRTV), Tanzania

Type	Non-formal Vocational <b>Training</b> Centre for <b>Self-employment</b>
Target	Primary school leavers and drop-outs in rural areas
Institutional Context	Not-for-profit church-run vocational training center
Goals	<ul style="list-style-type: none"> <li>• CRTVs provide training in basic trades to primary school leavers and dropouts in rural areas.</li> <li>• 80 % of the training is at least two years in duration.</li> <li>• Students sit for government tests at the end of their course</li> </ul>
Key Features	VCTs typically enroll less than 75 students (see Bennell, 1999c).
Outcomes	<ul style="list-style-type: none"> <li>• Five <b>traditional manual trades</b> account for nearly two-thirds of all enrolments (tailoring (33 %), electrical installation (13), motor mechanics (9), carpentry (6), masonry (3)). (Kilimanjaro, Moshi and Dar Es Salaam)</li> <li>• Female students comprised 60 % of enrolments mainly for tailoring and secretarial courses.</li> <li>• Enrolments at church-run VCTs has stagnated (see below:)</li> <li>• VCTs <b>continue to offer the same trades training when it is clear that employment opportunities in these occupations are limited</b> in rural areas. Commercial centers are better equipped to offer courses such as computers.</li> <li>• High dropout rates are the norm for most courses, mainly because once students have acquired basic skills in their chosen trades, they see little point of acquiring a government certificate, since most are destined for the informal sector.</li> <li>• Pass rates in trade tests are also very low (well under 50 %)</li> <li>• CRVCTs have increased their fees significantly since the early 1990s as funding from overseas has declined. By 1996, the fees charged for the least-expensive courses at the surveyed CRVCTs amounted to approximately 22.5 % of average per capita household expenditure in rural areas.</li> <li>• It is difficult to sustain <b>income generating activities</b> in depressed rural markets.</li> <li>• Academic secondary education by the private sector providers has expanded rapidly since the late 1980s. Consequently, better-off parents who can afford CRVTC fees, prefer their children to attend secondary school.</li> </ul>

#### 4. Limuru Girls Centre, Kenya

Type	Sector specific (agriculture, craft and clothing technology) vocational <b>training for self-employment</b>
Target	<b>Adolescent women</b> from poor backgrounds
Institutional Context	NGO since 1981. The center is totally reliant on overseas funding. In recent years, DANIDA has been the main donor.
Goals	<ul style="list-style-type: none"> <li>• Sound citizens with leadership skills, experience and training so that they can either take up employment or set up their own businesses, as well as taking an active role in the women`s group movement.</li> <li>• Training: Full-time for three years, students sit for national craft examinations. Additional training is provided in business education, business English and <b>women`s health</b>.</li> </ul>
Key Features	<ul style="list-style-type: none"> <li>• Entrance standards are high, namely a minimum of Grade C in the Form Four examination i.e. 12 years of education.</li> <li>• Total enrolment is around 150.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Limited information is available on training and employment outcomes.</li> <li>• LGC is the <b>only institution</b> in the country that offers <b>craft-level training for young women in agriculture</b> and most graduates get jobs with companies in the agricultural sector.</li> <li>• Employment prospects for clothing technology students are relatively poor mainly because “stiff competition makes it difficult for graduates to market themselves to potential employers or customers”.</li> </ul>

## 5. The Educational and Vocational Training Programs, Undugu Society of Kenya

Type	Non-formal vocational <b>training</b> , and <b>credit</b>
Target	<b>Disadvantaged Youth</b> , Street Children and the communities around Nairobi, Kenya.
Institutional Context	USK is a large local NGO established in 1972, that works in three major slum areas in Nairobi.
Goals	<ul style="list-style-type: none"> <li>• <b>Basic education:</b> Originally via scholarships so youth could re-enroll in government schools. However, many were unable to adjust to the structured classroom environment and dropped-out of school yet again. USK decided therefore to establish its own non-formal, 'practical' education program called '<b>school for life</b>'.</li> <li>• Centers have been established throughout the city, which deliver the full primary education curriculum to out-of-school youth over a three-year period. The curriculum covers 'real topics' that directly address the needs of these children.</li> <li>• Around 700 primary school dropouts attend USK's school for life each year.</li> </ul>
Key Features	<ul style="list-style-type: none"> <li>• One year vocational training in basic trades at USK training centers to youth who three years basic education.</li> <li>• Most of the training is <b>male-oriented</b> (carpentry, motor mechanics, metal work).</li> <li>• Pass rates in government craft examinations are generally high.</li> <li>• In 1990, USK started an Informal Sector Training Program. Students who have completed their vocational training are helped to find <b>artisans</b> who are prepared to provide one year of <b>apprenticeship training</b>.</li> <li>• In the mid-1990s, there were around 100 USK apprentices and the average cost of facilitating each apprenticeship was K.Sh. 6-8000 (US\$100-125).</li> <li>• Apprentices spend 90 % of their time being trained <b>on the job</b> and spend the remaining 10 % of their time receiving formal classroom instruction.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• On completion of their training, <b>micro-credit</b> has made available to USK trainees, however, repayment rates have been <b>very low</b> and credit has been discontinued.</li> <li>• An equipment loan scheme is being considered as a more viable alternative.</li> <li>• In 1990s, USK assisted 1,500 young people, ~ one % of the estimated population of street children in Nairobi.</li> </ul>

## 6. SITE-Strengthening Informal Sector Training and Enterprise (SITE)

Type	Non-formal Vocational <b>training for self employment in the informal sector</b>
Target	Youth with little education, refugees, demobilized soldiers, returnees, etc., in rural areas where industrialization has not taken place.
Institutional Context	Kenya based not-for-profit development organization, supported by GTZ, Caritas Switzerland and various Church organizations.
Goals	Providing non-formal technical skills training in order to promote the growth of small-scale entrepreneurs.
Key Features	<p>SITE has four programs targeting the informal sector: a.) Skills upgrading-productivity and product improvement; b.) Marketing support services; c.) Technology development and dissemination; d.) Vocational training - concepts and implementing institutional support.</p> <p>SITE undertakes the following activities:</p> <ul style="list-style-type: none"> <li>• entrepreneurship support (business skills and access to credit)</li> <li>• design and implementation of long-term projects</li> <li>• technical assistance for institutional development of vocational training institutions (concept development, internal management system development, strategic planning, etc.)</li> <li>• participatory needs assessment</li> <li>• design, implementation and evaluation of training programs, (technical and entrepreneurial).</li> <li>• Establishing monitoring systems</li> <li>• staff upgrading (training of trainers, management training)</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Technical and Management support to 8 Christian Industrial Training Centers</li> <li>• Sector Study/Project Design, 1996-7: Uganda: Vocational Training for the Informal Sector.</li> <li>• Evaluation and re-design for a rural industrialization training center, 1997, Cameroon (Bread for the World)</li> <li>• Skills upgrading Project for the Informal Sector, Kenya, 1996 to 1998.</li> <li>• Re-orientation of Vocational Training in Africa (AKKED).</li> <li>• Self-employment training for demobilized youth and returnees, 1996 - 2000, Somalia (Caritas).</li> </ul>

## 7. Development Aid from People to People (DAPP), Mikilongwe, Malawi

Type	<b>Sector-driven</b> (e.g. Building construction and agriculture) vocational <b>skills training</b> for self-employment
Target	Out-of-school, school drop-outs, <b>under-privileged youth</b>
Institutional Context	Not-for-profit NGO under the umbrella organization HOPE Humana People to People, (Malawi and seven other countries in Africa). Sponsorship from JICA, CH, British High Commission, National Banks and Companies.
Goals	Two main objectives; 1.)To supply skilled labor to Industry and to the sectors where development activities are concentrated, e.g. building construction and agriculture, and 2.) to <b>promote small-scale rural enterprises</b> , established and managed by able craftsmen and women.
Key Features	<ul style="list-style-type: none"> <li>• Full-time courses for one year (new courses in Business Administration, Building Construction and tropical agriculture.</li> <li>• <b>Income generating activities</b> attached to each course (e.g. Construction project and Bakery) expose students to entrepreneurial skills.</li> <li>• 10 selected building construction graduates attend a 9-month <b>apprenticeship program</b>.</li> <li>• 20 eight-week <b>placements</b> with local companies and organizations for the Business Administration students (1999).</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• the first intake in 1997, eighty students have graduated - most are currently working (formal and informal sectors).</li> <li>• 1998 : 40 graduates with 20 in building construction, most presently working or preparing for second year examinations in bricklaying and plasterwork-which follows the placement.</li> <li>• 60 Students are to be enrolled for the year 2000 courses.</li> </ul>

## 8. National Open Apprenticeship Scheme (NOAS), Nigeria

Type	Vocational Education and <b>Training</b> for micro-enterprise development
Target	Unemployed Youth
Institutional context	Government, National Directorate of Employment of the Ministry of Labor and Productivity
Goals	To equip students with the skills to start their own business.
Key features	<ul style="list-style-type: none"> <li>• Production facilities such as workshops and technical instructors from private industries, government institutions and, <b>subcontracting arrangements with craftsmen and tradesmen in the informal sector.</b></li> <li>• Training for 6 months to 3 years under a reputable <b>Master Craftsmen.</b></li> <li>• Theory classes are organized to complement the practical training</li> <li>• (since 1991) a scheme to provide NOAS graduates with equipment to start their own business.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Since inception (1987), ~ 600,000 unemployed youth have received training in 80 different trades.</li> <li>• ~ 400,000 started micro-enterprises; 32,000 currently undergoing training.</li> <li>• Two offshoots of the NOAS are the School-On-Wheels (SOW) program, which is a mobile vocational training scheme and <b>Waste-to-Wealth Scheme</b>: training in techniques of converting waste material into valuable goods,</li> </ul>



## 9. Employment Creation for Youth (ECY), Kenya (page 1 of 2)

Type	Non-formal <b>skills training for self-employment</b> and institutional development
Target	The target beneficiaries of the ECY are unemployed male and female youth between the ages of 15-35.
Institutional context	NGO (CARE); project in six rural locations in Kenya; financial support from CIDA and USAID
Goals	<p>The four main objectives are:</p> <ul style="list-style-type: none"> <li>• Develop local sustainable institutions to address <b>youth unemployment</b></li> <li>• Develop entrepreneurial skills and local capacity to support an entrepreneurial culture</li> <li>• Improve access to resources for initiating or expanding employment opportunities among youth</li> <li>• Improvement in attitudes that restrain youth from taking up available employment opportunities.</li> </ul>
Key features	Overleaf
Outcomes	Overleaf

## Employment Creation for Youth, Kenya (page 2 of 2)

<p>Outcomes</p> <p>(based on an external evaluation)</p>	<p>A comprehensive evaluation of ECY for the period 1992-1997, revealed:</p> <p><b>Institutional development:</b> Implementation of the ECY was based on a community-driven extension methodology known as Participatory Information Gathering, Analysis and Dissemination (PIGAD). A PIGAD team established sub-PIGADs and youth groups. The evaluation found that while 195 youth groups had been established and functioned well, the technical and financial sustainability of the PIGADs was poor despite the majority (80%) having received training in career counseling, small enterprise development, the management of revolving loan funds, and leadership and communication skills.</p> <p><b>Skills Training:</b> Nearly 4000 youth (30 % more than planned) received vocational and small business skills training. 37 % of respondents stated that they had 'adopted improved business management practices, leading to higher turnover and profitability'. Nearly half of respondents indicated that training was too simplistic and 'inadequate to cater for their businesses needs as they became more complex'.</p> <p><b>Mobilization and Access to Resources:</b> The ECY set a target of 40 % of participating youth accessing credit. The PIGADs mobilized almost K.Sh. 1 million in equity contributions from the targeted communities, which has been used by youth groups to establish revolving loan funds. While about one-quarter constituted themselves into RLF groups, only 8.9 % obtained loans; the annual interest rate 32 %, which was considered 'prohibitive'.</p> <p><b>Attitude Formation and Change:</b> 'a significant career attitudinal change among the youth'. Nearly two-thirds of those in the catchment areas in the six locations were actively involved in ECY activities. All of the youth surveyed reported 'undertaking some self-employment following the element interventions'. Career counseling 'changed the youth's career preferences in favor of self-employment, especially in business'.</p> <p>The ECY had an overall impact goal of 50 % of participating youth achieving at least a 50 % increase in income. In the event, only 25.7 % of the evaluation respondents reported an increase in incomes of at least this magnitude. However, 100 % of respondents stated that their incomes were more than K.Sh. 65 per day, compared with a target of 30 %. While little information was collected on the precise nature of the productive activities undertaken by participants, 'it would appear that the <b>greatest impact</b> of the ECY element is not on the generation of new employment opportunities, but rather on the <b>reduction of under-employment among existing small businesses</b>'.</p>
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### 10. The Katutura Youth Enterprise Centre (KAYEC), Namibia

Type	Non-formal vocational <b>skills training for self-employment.</b>
Target	Unemployed <b>urban youth</b> in the 18 to 30 age-range, with preference given to women.
Institutional context	Charitable and educational Trust, established in 1993, by the Lutheran and Anglican Churches in Namibia. DFID funding 1995-1998.
Goals	Help youth develop the attitudes, knowledge and skills needed for productive work (employment or self-employment).
Key features	<ul style="list-style-type: none"> <li>• KAYEC is a “one stop” center offering practical participatory training in life, business and vocational skills.</li> <li>• Vocational business training courses, coupled with an advisory service on loan access and marketing, back-up support in business planning, information on job opportunities and links with business mentors.</li> <li>• Post-training services are only provided to those trainees who are self-employed</li> <li>• Voluntary Enterprise Club providing mutual support and advise on training courses and other activities.</li> <li>• Planned: Microfinance Scheme; loans up to N\$5000 for disadvantaged graduates with demonstrated potential.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• 52 loans accessed from lending institutions, default rate of only 9.6 % and one-third of loans fully repaid.</li> <li>• Course enrolment: 1,739, 1994 - 1998.</li> <li>• 73 students completed bricklaying and plastering with 62 % of trainees economically active - 28 % are in full-time employment, 22 % in part-time employment, but only 12 % self-employed (mostly in retail activities and small-scale manufacturing).</li> <li>• Rates of self-employment higher (35 %) among graduates of the ILO Start Your Own Business curriculum.</li> <li>• Only limited progress been made with respect to income generation and cost recovery.</li> <li>• Micro stalls where students could market their products and services were not profitable due to high rents and long distances from commercial center of the township.</li> <li>• The Center remains heavily reliant on grants and other donations.</li> </ul>

## 11. Youth Enterprise Societies, Education with Enterprise Trust, (YES) South Africa

Type	Non-formal <b>vocational skill training</b> for institutional building
Target	Secondary school students
Institutional context	Government Program, receives funding from the corporate sector and international donors (e.g. USAID).
Goals	To have one million YES members throughout the country
Key features	<ul style="list-style-type: none"> <li>• Each society has 45 members (15 each from Grades 9-11) and 3-6 volunteer YES Advisers from the local business community.</li> <li>• YES meets twice weekly after school to develop key life and business skills, using training materials, in 17 key areas of business competence.</li> <li>• YES society's formed by 'Local Partnerships' comprised of local business, community and youth leaders, educators, and local government officials.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• A successful pilot project between 1993 - 1996.</li> <li>• 30 YESs in 1999 (with 1500 members).</li> </ul>

## 12. Poverty Alleviation and Microfinance, Uganda

Type	Group-based <b>credit</b> scheme for Income and employment
Target	Women, <b>widows, orphans</b> , youth, the disabled, retrenched civil servants and demobilized soldiers.
Institutional context	Semi-autonomous project under the Office of the Prime Minister
Goals	Self-employment and employment; for alleviation of poverty among vulnerable and impoverished communities.
Key features	<ul style="list-style-type: none"> <li>• To establish a mechanism for promoting micro-enterprises and group-based credit schemes</li> <li>• Credit provided via Intermediaries at the district level, with institutional support provided to the executing agency and technical assistance to intermediaries.</li> <li>• Beneficiaries and intermediaries: NGOs, credit institutions, cooperatives at the district level</li> <li>• Training and Extension Services: training needs addressed by sub-contractors; training in motivation, leadership, group organization, savings mobilization, project implementation, basic financial management and maintenance of physical facilities.</li> <li>• Support Services: Institutional Support involving secondment of a technical advisor, short-term consultancy and training.</li> <li>• Administration: A Revolving Fund run by an Income Generating Support Unit (IGSU) which reports directly to the Permanent Secretary in the Office of the Prime Minister, who chairs a National Steering Committee.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• (Oct 1998): US\$10,908,392 disbursed in four areas, average recovery rate 93 %. 34% crop production, 26% livestock, 8% small-scale manufacturing (carpentry, metal fabrication, etc.), 28% commerce/trade and 4% services.</li> <li>• 23,877 beneficiaries in the poorest communities, of which 14,774 were women (est. 20% youth)</li> <li>• PAM is reported to having built the capacity of 58 mostly indigenous micro-finance institutions, representing at least 60 % of micro-finance institutions serving the poor in Uganda.</li> </ul>

### 13. Entandikwa Credit, Uganda

Type	<b>Microfinance</b> for Small-scale enterprise
Target	Underprivileged, economically-poor youths
Institutional context	Government
Goals	<ul style="list-style-type: none"> <li>• To provide collateral free revolving credit to the poor</li> <li>• To support the establishment of income and employment generating enterprises at the household level</li> <li>• To encourage the development of indigenous grassroots institutions to deliver credit to the poor;</li> <li>• To mobilize household savings, especially among the rural poor; and</li> <li>• To facilitate the participation of the poor in the development process.</li> </ul>
Key features	<ul style="list-style-type: none"> <li>• Supports for small-scale activities (e.g. farming, carpentry, tailoring, brick making)</li> <li>• Three-tier operational structure (National Secretariat, District Steering Committee, County Steering Committee).</li> <li>• The Secretariat co-ordinates all activities, the District Steering Committee oversees and co-ordinates the implementation of projects in that districts, and the County Steering Committee screens potential projects. The Secretariat disburses funds.</li> <li>• Projects to be funded are proposed by the beneficiaries through the Intermediary Agencies (IA).</li> <li>• The IAs (approved NGOs) screen projects before consideration by the County Steering Committee.</li> <li>• The IAs, in collaboration with extension officers, provide technical support and advice. IAs expected to provide logistical support, supervise beneficiaries, disseminate information and recover loans.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• By 7.1997, 9,308 billion shillings disbursed (94 % of total funds) to 39,200 beneficiaries of which 33.7% women, 30.5% youth</li> <li>• The scheme had a very low recovery rates of 55 % in 1997/1998., reflecting perception of “share of the national cake” and ‘political gifts.’</li> <li>• 60 % of Entandikwa funds were allocated to agriculturally based activities, which were adversely affected by drought.</li> </ul>

#### 14. Youth Development and Credit Scheme (YDCS), Malawi

Type	<b>Credit</b> for self-employment in the manufacturing sector
Target	Unemployed Malawian Youth between the ages of 18 and 30 years.
Institutional context	Government of Malawi, under the Small Enterprise Development Organization of Malawi (SEDOM), in co-operation with the Ministry of Women, Youth and Community Services (MOWYCS)
Goals	<ul style="list-style-type: none"> <li>• To provide entrepreneurial skills</li> <li>• To link potential youth entrepreneurs to the existing technical training institutions</li> <li>• To Support the technical institutions in the training</li> <li>• To relax credit constraints which inhibit youth development</li> </ul>
Key features	<p>The main components of the YDCS are:</p> <ul style="list-style-type: none"> <li>• <b>Youth entrepreneurship development and training</b> – Youth from all 26 districts are selected by District Youth Officers (DYO) for training in entrepreneurship skills. The training is done in conjunction with SEDOM and covers entrepreneurial awareness, entrepreneurial competencies, motivation, opportunities, planning, and management.</li> <li>• <b>Youth Credit Scheme and Business Advisory Services</b> – Trained youth are offered credit through SEDOM. Two approaches used for disbursing credit., the first is using communities as loan allocation zones, the second using traditional authorities as loan allocation zones</li> </ul>
Outcomes	<p>Provision: MK68,799,971; Allocation: MK36,999,989 (Southern Region), K24,399 (Central), K7,399,996 (Northern Region)</p> <p>In 1999, two separate self-assessments of the Scheme were undertaken by MOWYCS and SEDOM</p>

### 15. Tap and Reposition Youth (TRY) Savings and Credit Project for Adolescent Girls, Nairobi, Kenya.

Type	<b>Micro credit</b> scheme pilot project to promote microenterprise development
Target	Adolescent <b>Women</b>
Institutional context	The Population Council collaborating with K-REP Kenya.
Goals	To develop and test an approach for extending credit to adolescent women that is financially sustainable and has the potential for scaling-up.
Key features	<ul style="list-style-type: none"> <li>• Pilot: a credit &amp; saving scheme for 100 women using K-Rep's 'juhudi' grouping lending methodology.</li> <li>• Loans off K.Sh. 5000 - 15,000 (US\$67-200) disbursed during the year 1 of the 2-year project repaid on a weekly basis.</li> <li>• Saving requirement: participants must save regularly for a minimum of eight weeks 10 % of the loan requested.</li> <li>• Participants receive initial training (one week) in management skills, on-going support and life skills training at weekly meetings.</li> <li>• Preference given to women who have had some relevant vocational training.</li> <li>• The total project budget is US\$ 60,000, managed by a full-time loan officer with day-to-day responsibility.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Participants carefully screened, in the family context.</li> <li>• 33% adolescents i.e. below age 20, with the remainder in the 20-24 age group. One-third is married and half have children. One half has completed primary education and the others have some secondary education.</li> <li>• Forty % had not earned any money before.</li> <li>• Most of the 90 loans disbursed between June 1999 - October 1999 used for 'gendered' income earning activities, namely vending and garment making.</li> <li>• No one has defaulted although there had been nine dropouts.</li> </ul>



## 16. Small-Scale Industries and Graduate Employment Scheme, Nigeria

Type	<b>Credit</b> for self-employment
Target	Unemployed <b>Youth</b> (mainly secondary school-leavers and tertiary level graduates - see key features, bullet two)
Institutional context	One of four programs established by the National Directorate of Employment in Nigeria. The loan scheme is co-financed by a consortium of banks and the federal government.
Goals	To provide <b>loans</b> to unemployed youth for the purpose of becoming <b>self-employed</b> .
Key features	<ul style="list-style-type: none"> <li>• Loan recipients are encouraged to participate in the Directorate's Entrepreneurship Development Program.</li> <li>• The loans are collateralized with the original copies of the participant's academic certificates and testimonials.</li> </ul>
Outcomes	<p>A survey of loan beneficiaries who had received their loans over four consecutive years was undertaken in seven states. The main findings of the survey were as follows:</p> <ul style="list-style-type: none"> <li>• Nearly three-quarters of enterprises were engaged in agricultural and manufacturing activities.</li> <li>• 40 % of beneficiaries were located in large urban areas (with populations of more than 100,000)</li> <li>• Previous training or experience strongly influences choice of activity. Those who opted for 'low skilled service' activities had little formal training or experience.</li> <li>• Little or no employment growth.</li> <li>• Asset growth was limited; only 28 % increased their assets.</li> <li>• The depressed economy had a negative impact on sales; 75 % reported negative sales growth (in real terms).</li> <li>• Repayment rates are very low. No figures are available. Evaluation report: "regrettably, the loan scheme is running out of steam due to the twin problems of high default rates and low budgetary allocation by the Federal Government. The former has remained an intractable problem of government-funded assistance programs because of the perceived notion of such subsidized programs as a piece of the 'national cake' .... which private banks are meant to eliminate or reduce'.</li> </ul>

## 17. Trickle-Up Conditional Grants in Africa

Type	<b>Micro-grant</b> for business start-up
Target	Poor people who are excluded from conventional micro-credit programs and who undertake very modest income-generating activities
Institutional context	Global program started in 1979; based in New York.
Goals	TUP works in partnership with locally based organizations and individuals who cover the local expenses of implementing the program so that the full TUP grant goes directly to the entrepreneurs.
Key features	<ul style="list-style-type: none"> <li>• Target group: families or groups of three or more who wish to start a business they have planned themselves.</li> <li>• A Business Plan, pledging 250 hours work per member in a three-month period; savings or re-investment of 20 %</li> <li>• A two-part limited grant: for the Business Plan: US\$50 dollar grant. After completing the required work and reinvestment, a two-page Business Report is submitted showing whether the business is continuing, hours worked, profit and reinvestment. On receipt of the Business Report showing that the conditions of the grant have been met, another US\$50 grant is made.</li> <li>• Twelve months later the Coordinating Agency reports on the continuity and progress of the business.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• 1979 -1998, a total of 73,500 businesses had received TUP grants. In Africa, 26,085 businesses with nearly 135,000 entrepreneurs were supported, 64 % of recipients were women and 45 % were under 27 years old.</li> <li>• The average three-month profit of businesses in Africa supported in 1998 was US\$175 with 82 % reporting that this was their main source income.</li> <li>• Comprehensive external evaluations have not been undertaken in Africa. Evaluations in Ecuador and Guatemala concluded that the program was successful in reaching the poor and enabled recipients to earn incomes well above the minimum wage. Interestingly, membership of <b>business associations</b> was found to be an important factor in improving business success. 44 % of grantees in Ecuador and 77 % in Guatemala were members of business associations. The evaluation recommended that grants be larger, written reports should be more 'user-friendly', and efforts made to develop a 'critical mass' of businesses clusters to encourage the development of <b>economic linkages</b> among them.</li> </ul>

## 18. Youth Business Trusts (YBT) in Ghana and South Africa

Type	Micro-loans, grants, mentoring and advice
Target	Unemployed, under-employed and under-financed <b>youth</b> aged 16-35 <b>with viable business ideas</b> .
Institutional context	(YBT) model based on the UK Prince of Wales Trust. In Africa, YBTs have been established in Gambia, Ghana and South Africa and youth enterprise organizations are becoming YBTs in Namibia, Swaziland and Zimbabwe.
Goals	To build the <b>social capital</b> base on which an aspirant entrepreneur can succeed.
Key features	<ul style="list-style-type: none"> <li>• The YBT model is based on a tri-partite partnership of government, NGOs and the private sector.</li> <li>• Voluntary mentorship, private sector managers and community individuals is 'the most distinctive element of YBT'.</li> <li>• Individual lending with no explicit collateral requirements and no penalties for late re-payments. Loans on the basis of personal guarantees and the merits of business plans. No follow-up loans are available. Grants also provided.</li> </ul>
Outcomes	<p>A 1998 evaluation was undertaken of YBTs in Ghana and South Africa found:</p> <ul style="list-style-type: none"> <li>• Few participants (20 and 217 respectively) with women seriously under-represented (22% Ghana: 44% South Africa).</li> <li>• The average loan size £613 in Ghana (254 % of GNP/capita) and £302 in South Africa (20 % of GNP/capita). The scheme did not assist the poor in Ghana, in South Africa support was provided to more marginal micro-entrepreneurs.</li> <li>• All clients interviewed stated that YBT had had 'a significant impact in terms of increased sales and profits'. However, no hard evidence on actual impact was provided to support these subjective responses.</li> <li>• In <b>Ghana a high level of satisfaction with mentoring</b>; however, in South Africa, mentoring was deemed ineffective, with only nine % satisfaction with mentors. Mentoring is more difficult to provide in rural areas.</li> <li>• YBTs are best suited to provide generic business management training. They <b>lack the in-house expertise</b> to support specialized business and must rely on other providers for this and technical training.</li> <li>• YBTs in developing countries are not sustainable without donations. YBT South Africa only covered 17% of operating costs (including loan loss provisions). This is despite an effective interest rate of 55 Using proxy data, the evaluation estimates that 'portfolios at risk' were 62 % in South Africa and 40 % in Ghana in mid 1998.</li> <li>• In neither country is an effective loan tracking system in place. A major concern is that 'social goals are seen as more important than on-time loan repayment'. Without major changes in management policies and practices, the <b>scope for scaling-up the YBT model is very limited</b>.</li> </ul>

### 19. IG Spa (Imprenditorialita Giovanile) Initiative, Italy

Type	<b>Enterprise Development</b>
Target	<b>Youth</b> entrepreneurs between the ages of 18 and 35 years old.
Institutional context	Agency -IG Spa (Imprenditorialita Giovanille) Initiative, was set up in 1994 in Italy 84 % is held by the Italian Treasury, private partners provide the capital.
Goals	To provide <b>a complete range of business development services and credit</b>
Key features	<ul style="list-style-type: none"> <li>• The IG Spa covers all phases of enterprise creation, beginning with the promotion of an entrepreneurial culture among young people, in conjunction with local authorities.</li> <li>• Local Authorities promote the Agency' to youth in towns and provinces through the educational system (schools and universities).</li> <li>• Agency provides low interest <b>loans, grants, and mentorship</b> during the compulsory loan repayment period.</li> <li>• Business development services (business plan generation, technical assistance)</li> <li>• Agency has <b>strong formal links with management and vocational training institutions</b>, which provide training and technical assistance to young entrepreneurs.</li> </ul>
Outcomes	<p>Since establishment, 49,000 business plans have been evaluated, 1.200 have been approved, and approximately 2 billion dollars have been invested.</p> <p>Net job creation since its inception: 23,000 jobs.</p>

## 20. National Foundation for Teaching Entrepreneurship (NFTE), United States

Type	Youth-based <b>enterprise development; training, business exposure, start-up grants</b>
Target	Low income and <b>at risk youth</b>
Institutional Context	International nonprofit organization based in the United States
Goals	<ul style="list-style-type: none"> <li>• To demonstrate that enterprise is more beneficial than crime or welfare dependency. The NFTE program believes that any child over 13 years of age can learn the fundamentals of business.</li> <li>• NFTE introduces youth to the world of business and entrepreneurship by teaching them how to develop and operate their own small business.</li> </ul>
Key features	<ul style="list-style-type: none"> <li>• 108 hours of training using a modular curriculum focusing on self-esteem, self-sufficiency and the free market society.</li> <li>• Presentation methodology includes: field trips, business plan generation and the operation of a business.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• The program has been offered at over 100 different sites throughout the US, and has reached more than 10,000 youth.</li> <li>• NFTE disburses ~ USD 200 000 p.a. in direct start-up grants to youth.</li> </ul>

## 21. The Business Establishment and Sustainability Program (BESP), South Africa

Type	<b>Small enterprise development</b>
Target	<b>Out-of-school</b> , unemployed <b>youth</b> (18-35 years old)
Institutional context	BESP is run by the Center for Opportunity Development (COD), a division of Junior Achievement South Africa (JASA), an affiliate of the internationally based non-profit organization, Junior Achievement.
Goals	<ul style="list-style-type: none"> <li>• Improving enterprise and self-employment opportunities for unemployed youth.</li> <li>• To provide support services to unemployed youth to help establish and run sustainable small enterprise.</li> </ul>
Key features	<p>Theoretical and practical business skills training; business plan assistance; facilitating access to credit; business start-up assistance; business <b>mentoring</b> and counseling; and follow-up support. These activities are structure in a five phased program:</p> <ul style="list-style-type: none"> <li>• Recruitment Phase: In conjunction with community organizations (religious, cultural, social, political). Applications are submitted via feeder organizations.</li> <li>• <b>Selection</b> and Assessment Phase: Assessing applications to identify high potential candidates.</li> <li>• Business Start-up Course: 1-week program: planning, management, finance, marketing and life skills. modules</li> <li>• Co-operative and Business Planning Phase: <b>On-the-job training</b>, and business plan development</li> <li>• Business Establishment and Sustainability Phase: Business counseling and advice, access to credit, troubleshooting, business support.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• (1998) 1377 trained, of these 768 established businesses.</li> <li>• The project also claims that <b>100 %</b> of started-ups are still functioning.</li> </ul>

## 22. The Business Now Program, Free State, South Africa

Type	Small <b>enterprise development, emphasis on institutional and enterprise networking</b>
Target	Youth with limited skills, the Free State Province of South Africa
Institutional context	Run by the Education with Enterprise trust, which has strong links with the internationally based Youth Enterprise Society (YES).
Goals	To improve the capacity to create jobs, and to serve as entrepreneurial role models for youth.
Key features	<ul style="list-style-type: none"> <li>• Hands-on 20-week business training with experienced trainers and counselors to equip them with the essential skills and knowledge of how to operate a small enterprise;</li> <li>• An internship opportunity in a local businesses to acquire experience in daily business operations;</li> <li>• Access to skills training through other programs in the community (<b>institutional networking</b>)</li> <li>• Technical assistance and support in training and a small enterprise operations</li> <li>• Access to credit upon program completion and submission of a viable business plan;</li> <li>• Ongoing support and assistance through Business Now Entrepreneurs Club (<b>enterprise networking</b>).</li> </ul> <p><b>Program Overview:</b></p> <ol style="list-style-type: none"> <li>I. Recruitment</li> <li>II. Orientation workshop</li> <li>III. Skills Training (vocational skills training as needed by the candidate)</li> <li>IV. Business Training-16 week course fully integrated with a business internship with a local business.</li> <li>V. Technical Assistance provided by Voluntary Independent Business Advisors</li> <li>VI. Access to credit.</li> <li>VII. Start-up, <b>aftercare through Business Clubs, Chambers of Commerce, and other affiliations.</b></li> </ol>
<b>OUTCOMES</b>	<ul style="list-style-type: none"> <li>• 50 to 60 % of the candidates started-up businesses within 1 to 4 months of completing the program</li> <li>• The project maintains that of a total of 30 students who have completed the course, 12 have established businesses, but none of them have started businesses on the basis of finance obtained from an approved business plan.</li> </ul>

### 23. The Manufacturing Skills Course, South Africa

Type	Small <b>Enterprise Development</b>
Target	<b>Unskilled</b> , unemployed marginalized <b>rural youth</b> with no access to education or training
Institutional context	Run by the Triple Trust Organization (TTO)
Goals	<ul style="list-style-type: none"> <li>• To enable participants to start and run viable home-based enterprises</li> <li>• To provide participants with access to skills in business start-up and manufacturing</li> </ul>
Key features	<p>Based on a competency-based modular training methodology which helps trainees become fully competent in the manufacture of a product before moving on to the next one, (e.g. garment manufacturing, leatherwork, machine knitting, silk-screening, and home furnishing). This course has a high input of skills training, and is supplemented by a business introduction course based on the Competency-based Economics, Formation of Enterprise (CEFE) methodology.</p> <p>The CEFE training model uses experimental learning tools to develop and enhance the business management skills and, personal competencies of potential and existing entrepreneurs. The model encourages guided self-analysis, enterprise behavior stimulation, and building business competencies. Examples include:</p> <ul style="list-style-type: none"> <li>• <b>Self-selecting competency</b>-Interview to confirm interest in business, technical aptitude tests, commitment fee, candidate to attend full-time.</li> <li>• <b>The personal competencies</b> are integrated into the manufacturing course by using exercises which develop achievement competencies related to entrepreneurial characteristics, planning competencies related to goal setting and information seeking, and power competencies related to persuasion, networking and self confidence.</li> <li>• <b>The situational competency</b> is integrated into the manufacturing skills course by getting candidates to conduct a SWOT analysis and then develop a personal balance sheet of their growth potential and of factors which limit it.</li> <li>• <b>The professional competency</b> is integrated into the manufacturing skills course by providing general business management skills, such as costing, pricing, cash flow statements and the like.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• A 1997 impact study found: ~ 49 % of full program participants currently either employed or self-employed.</li> </ul>



## 24. The School Leavers Opportunity Training Program (SLOT), South Africa

Type	Small <b>enterprise development</b>
Target	Out-of-school and out-of-work youth between the ages of 18 and 29.
Institutional context	NGO founded in 1990. Funded by Targeted Assistance Division (TAD) of the Ntsika Enterprise Promotion Agency, South Africa
Goals	<ul style="list-style-type: none"> <li>• To offer a realistic view of the world of work, and the opportunities available and to prepare youth for work</li> <li>• To help youth making appropriate and informed choices in pursuit of their goals.</li> </ul>
Key features	<p>Four-phase program: life skills and vocational training, business skills and employment preparation, and follow-up support.</p> <ul style="list-style-type: none"> <li>• SLOT <b>1</b> foundation course, opportunity and career awareness (2 weeks)</li> <li>• SLOT <b>2</b>: vocational training, using an accredited modular, competency and outcomes base system (10 weeks).</li> <li>• SLOT <b>3</b>: small business and employment training, linked to the vocational training</li> <li>• SLOT <b>4</b>: Post-program support: business development services (<b>mentorship</b>, counseling, access to credit, etc) to facilitate enterprise start-up; and employment services (job seeking skills, interview taking, writing of CV's, etc.) to assist candidates in securing employment.</li> </ul>
Outcomes	<p>A recent study found:</p> <ul style="list-style-type: none"> <li>• Attitudes towards business, career and self-employment all improved.</li> <li>• Candidates regarded vocational skills training as the most important component of the SLOT program</li> <li>• Improved understanding of planning, marketing and financial and administrative control of a business.</li> <li>• SLOT 4 support systems inadequately developed for both business and employment.</li> <li>• Weak integration between the various components and service providers of the SLOT program.</li> <li>• Career preferences and vocational skills are important predictors of enterprise outcomes.</li> </ul>

## 25. Youth Business Initiative (YBI), Australia

Type	Youth-based <b>enterprise development; training grants</b>
Target	Long-term unemployed disadvantaged youth, 18 - 25
Institutional context	Government, National Program
Goals	To assist youth with business start-up and self-employment.
Key features	<ul style="list-style-type: none"> <li>• Participants are selected based on their own business ideas and on personal qualities.</li> <li>• Training: 6-week business training course, modules in self-development, customer relations and business planning.</li> <li>• Advice and business plan generation including financial and technical aspects</li> <li>• Start-up grants of up to A\$ 3,000</li> <li>• Business <b>mentoring</b> (initial 12 months) in management, finance, administration and marketing</li> </ul>
Outcomes	Survey results: 50% of the candidates in businesses since the program inception; 22% in formal sector employment

## 26. Bharatita Yuva Shakti Trust (BYST), India (page 1 of 2)

Type	<b>Entrepreneurship</b> development program ( <b>training, credit, mentoring</b> )
Target	Unemployed, underemployed young people (18-35) with viable business ideas with alternative sources of assistance
Institutional context	<ul style="list-style-type: none"> <li>• Non-profit organization receiving financial support from Indian Industry and DFID.</li> <li>• BYST is modeled on the Prince of Wales Youth Business Trust (PYBT, UK).</li> <li>• <b>institutional networking</b> with NGOs, vocational training institutes, training Institutions and enterprise associations.</li> <li>• A founding partner of the International Association of Youth Business Trusts.</li> </ul>
Goals	<ul style="list-style-type: none"> <li>• To develop the entrepreneurial skills and abilities in Indian youth.</li> <li>• To become a role model of an innovative support network for small enterprises India and internationally</li> <li>• To build a “One world community of young entrepreneurs.”</li> </ul>
Key features	<ul style="list-style-type: none"> <li>• Two main forms of assistance: Money and Mentoring (financial assistance and business advisors).</li> <li>• Methodology: counseling, business planning, institutional networking, finance.</li> <li>• Services: Training programs in business skills (marketing, accounting, best practices, customer care, etc.) and . Entrepreneur Forums (social development fair,), mentoring, awards for business excellence and referral services.</li> <li>• Loans: Up to Rs 50,000 without security or collateral. Loan uses: seed capital, collateral, “margin” money to leverage additional funds. 12.5% “soft” interest rate, pegged at the bank’s rate for SMEs.</li> <li>• Selection: Initial self-selection with self-generated business concept. Pre-screening followed by assessment by a Project Evaluation Committee (composed of business people, bankers, consultants and NGO representatives)</li> <li>• BYST only considers business ideas that are environmentally sustainable and socially sound.</li> <li>• Follow-up: participatory assessment methods fused to assess all aspects of the program.</li> <li>• BYST Entrepreneurs are involved with mentoring, peer networking, role modeling, and participatory training.</li> </ul>

. **Bharatita Yuva Shakti Trust, India (page 2 of 2)**

Outcomes	<ul style="list-style-type: none"><li>• BYST operates in 5 regions; Delhi, Madras, Faridabad, Pune and Hyderabad.</li><li>• Since inception, 1991, BYST has supported 450 business ventures.</li><li>• An average entrepreneur has a per capita monthly income of IR 600.</li><li>• The average age of an entrepreneur at entry is 27.9 years.</li><li>• Businesses supported by BYST have created an average of 4.7 jobs per business, after 3 years of operation.</li><li>• BYST begun replication through awareness programs, franchising its methodology, and overseas training</li></ul>
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## 27. Environmental Development and Action (EDNA), Senegal

Type	Multi-service - Non-formal education and <b>credit</b> assistance, culture, livelihoods, AIDS awareness
Target	<b>Youth</b> at the individual and institutional level
Institutional context	Senegalese NGO working in Ethiopia, Madagascar, Mali and Zimbabwe
Goals	To use popular networks embedded in civil society to promote large-scale change
Key features (Senegal)	<ul style="list-style-type: none"> <li>• Non-formal “street” education for out-of-school youth;</li> <li>• ‘Introduction to life’ camps to link street children with their families (~50% who attend return to their families)</li> <li>• Support for youth organizations, particularly sports and culture; using culture as a catalyst for action</li> <li>• A <b>traditional apprenticeship</b> scheme; 7 years duration, all major trades, involving 280 apprentices and 100 artisans.</li> <li>• Rehabilitation of youth offenders. Carpet-weaving workshops have been established for youth prisoners.</li> <li>• The ENDA-Sante program for AIDS prevention.</li> <li>• ENDA-Siggi (“lift up your head and fight adversity”) and ENDA Graf (Group for Research Action and Training) provide financial services, commonly through co-operating entities: e.g. the Women’s Savings and Loans Association, Grand-Yoff.</li> <li>• Institutional development</li> <li>• Youth empowerment</li> <li>• Action campaigns and services in support of human rights and employment conditions for youth workers</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Improved working conditions rural youth workers</li> <li>• An employment agency has been established</li> </ul>

## 28. AIDS Widows and Orphans Support Project, Kampala, Uganda

Type	<b>Vocational training and credit; HIV/AIDS education on AIDS.</b>
Target	<b>HIV-positive parents, children and orphans</b>
Institutional context	The Project is managed by a British Catholic NGO with financial support from DFID.
Goals	Helping HIV-positive parents establish a source of family income.
Key features	Initially, a welfarist grant program, currently a loan program, in part in quest of financial sustainability.
Outcomes	<ul style="list-style-type: none"> <li>• Poor repayments rate, 40-50 %, largely due to the frequent periods of ill health and debility among clients.</li> <li>• Over 66% microenterprises failed to make profit, but 75% continued, indicating they are perceived as beneficial</li> </ul> <p>From June 1996 to December 1998, the main outputs were:</p> <ul style="list-style-type: none"> <li>• 236 people with AIDS started microenterprises, 85 % in retailing.</li> <li>• 120 teenagers received vocational training in catering, home management, garment making, carpentry, electrical installation, motor vehicle mechanics, and metal work.</li> <li>• 90 students started tailoring microenterprises</li> <li>• 500 teenagers took part in behavior change seminars</li> <li>• 300 children received counseling</li> <li>• 700 were given legal advice</li> <li>• Centers were built, but proved and complex costly to operate. As a result, the Centers were transferred to others with more expertise. Unfortunately, the new owners excluded HIV-positive clientele and alternative training venues had to be found. On balance, the handing-over of training activities is appropriate in that it allows the project to focus on income generation and health education.</li> </ul>

## 29. Mathare Youth Sports Association (MYSA), Nairobi, Kenya

Type	Sports, leadership, health education, <b>HIV/AIDS prevention-Livelihoods</b>
Target	Youth from the Mathare Valley slum of Nairobi
Institutional context	Local Organization
Goals	To provide opportunities for youth to become leaders and peer role models.
Key features	<ul style="list-style-type: none"> <li>• MYSA promotes sports (mainly soccer) and environmental clean-up activities.</li> <li>• MYSA has become a model for empowering youth to run their own organizations.</li> <li>• Youth play key roles in all aspects of the organization, including administration, coaching and health education.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Over 10,000 youth from Mathare have participated in MYSA activities.</li> <li>• 300 soccer teams from 50 slum villages who play in competitions and are regularly involved in clean-up campaigns.</li> <li>• The AIDS awareness program has trained 75 educators who have reached all members.</li> <li>• No formal evaluation has been undertaken. It is reported that school attendance has improved as a result of the program, drop-outs have declined, and there has been a 'drastic decline' in team members withdrawing from school due to pregnancy</li> </ul>

### 30. Partnership for Adolescent Sexual and Reproductive Health (PALS), Zambia

Type	<b>Micro-finance</b> intervention for sexual reproductive health
Target	Communities and health clinics in order to improve Youth sexual and reproductive health.
Institutional context	CARE, Planned Parenthood Association of Zambia in urban locations in Lusaka and Livingstone.
Goals	To promote safer sex through activities that create a more positive view of one's self and one's future, by building the skills needed for improved youth livelihoods
Key features	<ul style="list-style-type: none"> <li>• Host communities participate in the design and implementation of the project.</li> <li>• A 14-hour business course is delivered to participating credit groups, following which participants produce business plans, which are reviewed by the Credit Review Board. Successful applicants get a loan of Kwacha 100,000 (US\$ 67), and repay Kwacha 120,000 (8% interest and the cost of the Loan Insurance Fund)</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• 221 youth aged 14-19 (of a target of 300) in, Mtendere and Ngombe, received loans; ~ 95 % of the loans were used for small scale vending. <b>Repayment rates were very low</b>, (35% in Mtendere, 11% in Ngombe). In Mtendere, of 146 loans, only seven individuals (six girls and one boy) repaid more than Kw.100,000. Between 14-20 % repaid nothing. An internal evaluation cited the following reasons: too long grace and repayment periods, lack of borrower control over loans (family spending for consumption), over-reliance on self-selection, and rushed implementation. The evaluation assessed the relationship of microfinance to sexual reproductive health. Two possibilities were mooted: 1<sup>st</sup>, having SRH awareness included in the business skills course and 2<sup>nd</sup> improvements in the livelihoods of loan recipients. The two options are inter-related.</li> <li>• An external evaluation reported reduced sexual activity or number of partners. The proportion of loan recipients having sex "recently" decreased from 72% in the baseline survey to 63%. For program participants. In Ngombe, however,(where the repayment rate were extremely low) sexual activity increased from 68% to 90%.</li> </ul>



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